

THE
BUSINESS OF LIFE

...
ZUTAVERN AND BULLOCK

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The Business of Life

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FOREWORD

During the ten years or more that have elapsed since elementary business education became an established part of nearly every school curriculum, the subject has passed through two phases of evolution. Now it is passing into a third phase. Previous to 1930, elementary business education meant preparation for office jobs of a routine nature. In 1930, much new material was introduced into the course, making it of value to all workers in business. In 1935, because the new social order is raising the age limit for beginning workers, the vocational aspect of elementary business training for pupils of ninth or tenth grade level is rapidly disappearing.

The last few years have proved to most Americans that what they need most is a knowledge of real values—values in people as well as in things. The day when salesmanship took the place of merit and when the only heroes worth while were men who could make money, has passed. The rising tide of resentment against low ideals and corrupt practices in government, banking, and industry has brought about a demand for a new type of education in attitudes and behavior. It is not surprising, therefore, to find the new trend in elementary business education directed toward the basic problems of the youth in his relationship to his fellow man, and toward the solution of problems involving his own economic welfare. Without this fundamental groundwork, the value of any technical or vocational training is greatly impaired, and the pupil is handicapped in making his way in the new era that is just dawning.

It will be noticed that Book I of this new course deals entirely with preparation for good citizenship and eco-

conomic independence, while Book II attempts to give the pupil an intelligent understanding of those business services needed and used by every individual in everyday life. Thus, instead of being of value to a small group of pupils preparing for office jobs, the course now has vital interest and value for every pupil in the school.

Factual knowledge, requiring skill in memorizing more than necessity for thinking, which has characterized a great part of education in the past, is rapidly being replaced with discussions of personal problems which have a direct bearing on the daily life of the individual and his relation to society.

Since there is neither time nor, perhaps, sufficient interest among young people to warrant covering any of the topics in this book completely in a conventional manner, the authors have tried to confine their treatment to the most interesting as well as to the most essential aspects of the subjects for the average individual.

Effort has been made to follow the Morrison Plan—pretesting, teaching, retesting, and teaching to the point of mastery—in developing the chapters, wherever it was possible. It will be noticed also that the content of each chapter is presented in three phases: explanation, interpretation, and justification, or, what is to be learned, how it may be learned most effectively, and why it should be learned. Presenting subjects, such as personal habits, temperance, gambling, and narcotics, from the economic instead of the moral viewpoint will tend, the authors believe, to put the pupil in a receptive mood. The wish for economic security is the one aim that every human being, young or old, good or bad, rich or poor, stupid or intelligent, chiefly desires in life; and it is to attain this happiness that he spends most of his energy. It is more than doubtful from a psychological standpoint whether any other fundamental aim is possible. For this reason the authors' chief objective in this book has been to

arouse pupils to a type of independent thinking which will result in a happier and a more secure life.

In Book II, new topics appearing for the first time are the chapters, *Money-Earning Services*, of a guidance nature, and *Public Services*, including the subject of taxes. The authors feel that it is not too early in the ninth grade to begin making young people tax conscious.

Such subjects as Investments, Filing, Household Budgets, Salesmanship, Business Organization and Management, and Commercial Law have been omitted entirely. These subjects, it is now generally agreed among commercial teachers, are handled more satisfactorily in later years of high school.

Pupil action is necessary to any learning, and it is especially necessary in mastering the practical subjects. Certain business papers can best be understood by preparing the forms and handling the papers. The limited size of any textbook page makes it impossible to reproduce business forms, such as bills of lading, legal documents, etc., so that they appear like the real article. Workbooks or practice sets are necessary in providing business documents and other material for pupil action. Motivated and dramatized laboratory materials that arouse imagination, judgment, and initiative in the pupil are provided with both volumes of *The Business of Life* and correlate with them.

The Business of Life presents the latest developments in the subjects treated. The manuscript for the chapters on insurance, travel, communication, and banking were read by high officials in their respective industries, and their help is hereby gratefully acknowledged. Special credit is due Miss Gladys Snyder, M.A., instructor in English, Pasadena Junior College, for her criticism of the entire manuscript.

January, 1936.

A. B. ZUTAVERN
A. E. BULLOCK

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TO THE TEACHER

Preceding each chapter are a *Pretest* and a *Word Study*. Following each chapter are *Questions on the Text*, questions for *Class Discussion*, and *Thought Questions and Problems*.

1. Before starting the class on a chapter, the *Pretest* should be given. Its purpose is to discover what knowledge, if any, pupils already have on the subject matter in the chapter. If the teacher wishes, he may grade the *Pretest* and compare results with those of a test given after a chapter has been studied.

2. After the *Pretest*, attention should be called to the *Word Study*. If the pupils will refer to it as they study a section they will read with more understanding, enlarge their vocabulary, and start to form the dictionary habit. Occasional tests on the words from the *Word Study* lists should prove beneficial.

3. The next step is the answering of those *Questions on the Text* which belong with a particular assignment. Any pupil should be able to answer these questions if he has studied the lesson.

4. The *Class Discussion* may now be taken up. This is within the range of all pupils who have studied the lesson, and it permits each pupil to express his own ideas.

5. The *Thought Questions and Problems* are more difficult and furnish material for the pupil of varying abilities.

6. Every section in this text, it will be noticed, is numbered, and every question and every word in the word lists is numbered the same as the section in which each may be found. This plan enables both pupil and teacher to refer instantly to the exact place in the text where an answer may be found.

7. Laboratory practice can be motivated best when separated from a textbook. The practice set designed for use with this textbook sets up life situations which give the pupil opportunities to put into use the knowledge he has gained from the textbook. While use of the set is optional, it is strongly recommended.

Word Study for Chapter I

SECTION

1. **Retracing**—going over the same ground again.
2. **Objective**—a thing aimed at; a goal.
Minimum—the least possible amount; lowest; trifle.
3. **Normal**—regular; natural; up to a common standard.
Positive—real; actual; presence of something.
Negative—something denied; absence of something.
4. **En route**—on the way or road.
5. **Involved**—hard to understand; not clear; complicated.
7. **Sustain**—keep up; support; maintain.
Handicapped—set back; penalized; put at disadvantage.
8. **Emergency**—something unforeseen; a difficulty; a crisis.
11. **Unbiased**—fair; square; just; not prejudiced.
Adjusted—properly arranged; regulated; controlled.
Sloughed—cast off; discarded; shed.
Rectified—set right or made good; corrected, remedied.
13. **Strenuous**—requiring much action or energy; vigorous.
17. **Alternate**—to do or perform by turns; first one, then the other.
Tension—strain; a stretching; strain of mind or tightness of muscles.
18. **Exclusion**—left out; omission.
Rank and file—the regular run; just as they come.
19. **Warped**—twisted; crooked; bent.
Bias—unfairness; unjustness; prejudice; partiality.
Prejudice—an opinion formed without sufficient reason.
20. **Omen**—a sign or action that is supposed to foretell some event.
Vent—to let out; give an outlet.
21. **Molar**—having power to grind; a back tooth.
Counteract—to work against; to neutralize.
23. **Faker**—a fraud; a petty swindler.

Pretest for Chapter I

1. What do you consider the chief purpose of living?
2. Do you regard life as a journey to a definite destination?
3. What do you think people crave the most?
4. In making a trip, upon what three things does your safety depend?
5. In what ways have you noticed yourself changing as you grow older?
6. What one thing gives a person of your age the most satisfaction?
7. What are the three sources from which we get all of our education?
8. Do you believe that the study of yourself is of more or less importance than the study of other things? Give reasons for your opinion.
9. When a person discovers that he has a weak quality, there are three things he can do about it. What are they?
10. What do you understand by the word, emotion? Do you think it is possible for people to learn to control their emotions?
11. Why do some people seem able to do so much more work than others?
12. What is a well-balanced person? How can a person become well-balanced?
13. What are some of the things necessary for straight thinking?
14. What do you understand by the word, superstition? What superstitions, if any, have you?
15. In what ways can you help pay your debt to society, which has done much in the past to help you and will do much more in the future to make your life happy?

CHAPTER I

UNDERSTANDING OURSELVES

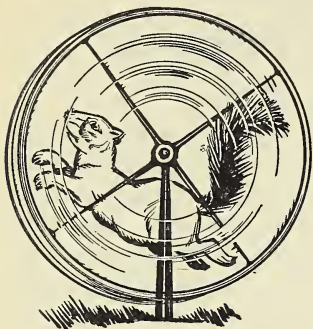
The Journey of Life

1. **A Journey All Must Make.** Life is a journey which all of us make only once. There is no round-trip ticket. This journey, according to present-day reckoning, lasts about fifty-nine years for the average person. Some persons are able to extend the journey a little longer; others end it in much less time. It is not the number of years but the values we get out of the years that count the most. Whether to live at a slow pace over a long period of time or whether to burn up energy at a lively pace and have it over with in a short period of time is a question each individual can decide for himself.

Many of those who have a short and unhappy journey make the fatal mistake of starting out on the wrong road. In the maze of detours, side roads, and blind alleys, it is easy for anyone to become confused or, perhaps, lost. Students now in the first or second year of high school have already completed about one-fourth of the pilgrimage of life. It is well then, before going further, to plan the next part of the trip in order to avoid getting on the wrong road, losing time by retracing one's steps, or incurring unnecessary expense and, probably, serious inconvenience.

2. **The Need of a Definite Goal.** The lack of a real purpose causes many persons to fail on the journey of life. A vagabond is one who starts on a journey without an objective or purpose. In order to reach a certain destination, one needs to know exactly where he wants to go. At a railroad or bus station we do not ask for a ticket to

“somewhere.” Yet there are people making their life-journey who have such hazy ideas about their destination and purpose that, like a squirrel in a revolving cage, they



Like a squirrel in a revolving cage, some persons run around in circles all the time, getting nowhere.

run around in circles all the time, getting nowhere. Other people, who plan every step of the way, and watch their step, manage to reach their goal with a minimum amount of trouble and effort. The greatest thinkers, when they have practically completed the journey of life, look back upon its real purpose as a series of experiences for the sole satisfaction of the traveler himself, and they are convinced that the most sat-

isfying experience is in lending a helping hand to a fellow traveler struggling along the way.

There are just eight experiences which the best of the human race craves at all times and in all places, according to Walter B. Pitkin.* These are: “to live long; to stay healthy; to be secure; to have a variety of experiences; to have friends and lovers; to travel and see the world; to think well of oneself; to stand well in one’s community.”

3. The Main Highway. Every normal person hopes that his journey will cover a long period of time, because it requires time to enjoy the various experiences which life affords at different ages. There are but two kinds of experiences, pleasant and unpleasant, just as there is a positive and a negative to everything in the universe. We might as well learn early in life not to expect that all of

*Author of *More Power to You*, *Life Begins at Forty*, and other popular books.

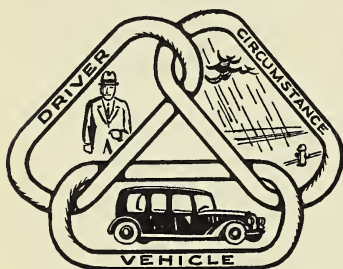
our experiences are going to be pleasant ones. No one ever lived such a life. Unpleasant experiences are necessary in order that we may enjoy more the pleasant experiences. Without darkness there would be no daylight. Certain unpleasant experiences teach us lessons which we cannot learn otherwise. The happiest life, however, and the most normal one, is the life in which the pleasant experiences greatly outnumber the unpleasant ones. People who willfully end life's journey usually do so because their unpleasant experiences greatly outweigh their pleasant ones. Such persons get started on the wrong road and never seem able to get back on the main highway. Thus the great secret of making the journey of life successfully lies in discovering at the start the main highway and then in staying on it.

4. Requirements for Life's Journey. Every journey requires a vehicle. For life's journey this vehicle is your physical body, and, if you will give a little thought to the matter, you will see how, in many respects, your physical body resembles the automobile. Many an automobilist, who started across the continent, and many an aviator, who attempted a flight across the ocean, failed to reach his destination because his vehicle broke down en route. For the journey of life we have but one vehicle, and we can't buy or borrow another one; hence, above all other considerations, the physical body, our only vehicle, should demand the greatest amount of our attention and care. The automobilist or the aviator may sell his broken-down machine to a junk dealer and use the money so obtained toward buying a newer and better machine, but the human machine has no scrap value. There is no market for a broken-down physical vehicle.

The first question every person needs to ask himself before starting on life's journey is, "How strong is my physical vehicle, and what parts of it must I watch continually to prevent its breaking down on a fifty-nine-year

trip?" The answer depends, first, upon how well nature has constructed your physical body and, second, upon how much care you are willing to give to improve it or keep it in good working condition. Remember that your body is a machine, and no machine has ever been made that would run continuously without proper care and attention. It is easy to burn out a main bearing on any kind of a machine. Steep grades cannot be climbed with a faulty fuel line or a weak spark.

5. Every Vehicle Requires a Driver. Three considerations are involved in any journey: first, the vehicle; sec-



The three links upon which the success of any journey depends: the vehicle, the driver, the circumstances.

ond, the driver; third, the circumstances. We can control the first two, but not always the last. It is here that luck plays an important part in our lives, and, although many persons scoff at the idea of luck, they are willing to admit that sometimes there are circumstances over which they have no

control. At any rate we can see that our successful life-journey depends, at least, two-thirds upon ourselves. Carefully kept reports on wrecks of all kinds prove that more than eighty per cent of them are avoidable. Among the causes for most of the wrecks strewn along life's highway are ignorance and stubbornness. The ignorant man has not learned; the stubborn man has learned but is not willing to apply his learning.

The most deadly enemy to the driver of any vehicle is a fog. Unless forced, no intelligent driver moves a foot when he cannot see where he is going. There are men in business, as well as many boys and girls in school, who are traveling in a fog, unaware of any danger ahead. The

wise person, when he is unable to see where he is going, stops and waits until the fog lifts and he can be sure of the road ahead.

6. The Effect of Time. If, before going to bed every night, you will tear a page from the calendar, and remark, "There goes another day of my life never to return," you will soon become time-conscious. The years you have already lived may seem a long time to you; the next fifteen will seem only half as long; and the following fifteen only a fourth as long. The hands of the clock will seem to move faster, and the days to become shorter each



The most deadly enemy to the driver of any vehicle is a fog.

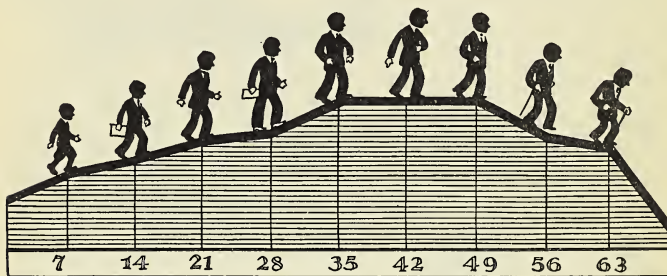


If, before going to bed every night, you will tear a page from the calendar and remark, "There goes another day of my life never to return," you will soon become time-conscious.

you will watch the following birthdays, 14, 21, 28, 35, and 42, you will find changes in your desires, appetite, your facial expression, your moods, your opinions of others, and even your bodily functions—

all due to the passing of time. This means that you need to learn to think of the future. During any of these seven-year periods it is necessary to be thinking and planning for the next period ahead. Any preparation that you may be making *now* has very little value *now*. The value of today's preparation is always realized tomorrow. Your pleasant experiences in the future depend largely upon your ability to look into the future and to prepare for it.

7. Paying Your Way. Until society finds some other plan for securing a living, which may not happen during your lifetime, a great deal of human labor will be required



Each seven-year period on our journey of life finds us changing in our desires, appetites, facial expressions, moods, opinions of others, and even our bodily functions.

to sustain any person during his fifty-nine year journey through life. Human labor is exchanged for what we term money; and with this money, the food, clothing, and other things we require in living are bought. *Man needs a hundred thousand things between the cradle and the grave.* Someone must pay for these things with human toil. Parents are supposed to toil to provide for their children until the boys and girls are capable of taking care of themselves. When parents are no longer able to care for their children, this burden falls upon social organizations, such as county welfare, community chest, associated charities, churches, and lodges. It is doubtful

whether any other place in the world takes as good care of its dependent children as does the United States. America is known throughout the world as a free country, but this does not mean that everything is free to everybody as long as he lives. Every boy and girl, unless blind or otherwise handicapped, is expected to learn how to support himself as soon as possible, and thus not only take himself off the back of society but also help to support other children who may have lost their parents. The greatest thrill you will ever get out of life's journey is experienced when you first become self-supporting; the next greatest thrill is when you first discover that you are helping to support others less fortunate than yourself.

8. Passport and Baggage Requirements. A passport is a permit allowing us to enter places from which we might otherwise be barred. In our daily life it opens the gates to success and desired social contacts. The journey of life requires certain passports and a certain amount of luggage. The expert traveler has learned to provide himself with the necessary passports and baggage. He carries necessary tools but no useless equipment. He foresees his actual needs, and, should an unexpected emergency arise, he is prepared to purchase his requirements when and where needed. So, for the journey of life, the pages which follow are intended to give you, as one of the travelers, only the passports and baggage which successful travelers have found to be absolutely necessary. In order that you may have a glimpse of this necessary equipment, let us examine the following essentials:

1. Understanding ourselves.
2. Understanding others.
3. Keeping out of trouble.
4. Polishing our conduct with good manners.
5. Reducing the cost of living by avoiding waste.

6. Making every dollar spent bring us one hundred cents in value.

7. Learning not to abuse credit.

8. Taking advantage of the experiences of others.

In addition to these eight items of essential equipment required on our life-journey, we shall need also to know how we can best utilize the business services absolutely essential to our American standard of living, and necessary to our personal comfort and happiness as well.

9. **The Purpose of Education.** "Keep the brightest trail," an old Indian replied when asked by Bishop Baker, in pioneer days, the best route across the plains to the Rocky Mountains. Making the journey through life requires a certain amount of information *before*, and not *after* the journey is completed. Road maps, signposts, and information about road conditions are of very little



Making the journey of life requires a certain amount of information *before*, and not *after* the journey is completed.

interest to a traveler after his journey. The wise traveler wants to know in advance where the detours begin and end, and where lie the dangerous curves that may wreck him. With every new automobile we buy, come a tool kit and a book of directions telling how to keep it in good working order. One of the

purposes of education is to provide us with a tool kit, directions for keeping our vehicle in good running order, and dependable road information for making a successful and happy journey. The more we can learn from other travelers who are willing to help us avoid the mistakes like those which they have made, the easier our journey will be, and the more we shall enjoy it as a result.

The remainder of this book is devoted to learning only the brightest trails. Are you willing to learn them?

No one can make the journey of life for you—you must make it yourself. If the road you are traveling is rough and uphill, you may rest assured that you are on the right track.

Whether you arrive at your final destination safely and



If the road you are traveling is rough and uphill, you may rest assured that you are on the right track.

happily, and get all the joy that such a journey can provide, depends largely upon your ability to follow the well-marked trails, to manage properly your physical vehicle, and to get understanding.

With all your getting, get understanding.

Understanding Ourselves

10. The Greatest Problem in Life. The first and most important thing in this world for every individual to understand is himself. Very few persons under the age of twenty know much about themselves. This is because they have given little, if any, study to understanding themselves. Between fourteen and twenty we approach the time when we may no longer depend upon our parents to control our daily lives and tell us what we should or should not do. Soon we must become self-managers.

11. Knowledge of Self Requires Study. A man lives in a fog when other people understand him better than he understands himself. In order to understand himself, a person must constantly study his own individual make-up. He should get an unbiased picture of himself, and face with courage the facts which he discovers about himself. Nothing is gained by avoiding the knowledge of unpleasant facts concerning oneself. If a person's emotional

life, through which he experiences such feelings as joy, grief, fear, hate, love, and awe, is not adjusted, he cannot possibly progress in the world as he would like to pro-



The sooner you discover the facts about yourself, the easier will be your journey of life. Nothing is gained by avoiding knowledge of the facts concerning oneself.

gress. He will be handicapped by the ball and chain of his own emotions. By control of the emotions a person can overcome almost every handicap that ordinarily mars a joyous life. The handicap of poverty can be overcome; illness may be conquered, and physical disability can be offset; bad habits

can be sloughed off; most mistakes of life can be rectified. Each individual is a problem unto himself, and each person should try to do his own reforming. He can do this both by studying the lives of great men to learn what habits they formed or practiced, and by studying the mistakes of famous men, who utterly failed in the end, to learn wherein they made their mistakes. It is just as necessary to study failures as it is to study successes. Much of the material in the next chapter will be very valuable in helping you to analyze yourself and discover many things about yourself which you have failed to notice before.



Many persons are held down by the weight of their emotions.

12. Know Where You Stand. No human being is perfect. Every individual has strong and weak qualities with which he is born. Some of these qualities may be strengthened, but we shall have to adjust ourselves to

others and get along with them the best we can. Lecturers sometimes make the statement that any person can do or be anything he chooses *if* he has the will-power. Notice the little word, *if*. Many of these lecturers never tell us what to do if we are short on will-power, just as we may be short in height. If will-power can be acquired so easily as these lecturers suggest, it is natural to wonder why they themselves don't become wealthy or famous. Many of the best thinkers today are not certain that such rare qualities as genius, judgment, and leadership can be developed by any person who desires them. There is no need of our paying an expert twenty-five dollars to tell us wherein we are weak and what we should do about it. Anyone who is honest with himself should be able to discover his own weaknesses for himself and remedy them as much as possible.

13. Can Weak Qualities Be Made Strong? Some weak qualities are with us when we are born, and other weak qualities we acquire as the years pass. Some weak qualities are physical, such as a weak leg or a weak heart; other weak qualities are mental, such as jealousy and anger, or being sticky fingered—taking another's property while he is not looking. Fortunately, most weak qualities can be corrected, at least to some extent. If they are not remedied, our journey of life is not going to be a happy one. A person who is unable to correct a weak quality can at least give it watchful protection. The person with a weak heart who competes in athletic contests, tries to live an exciting life, or selects a strenuous vocation will probably not get far on the journey of life. The person who finds it difficult to refrain from helping himself to money belonging to others can guard against this weakness by selecting a place to work where there is no money lying around. No one should become discouraged because he discovers his weaknesses. He should remember that he is not the only one who has them; there are

millions of others who also have weaknesses. Allowing ourselves to dwell too much on a weakness may result in our having an inferiority complex, one of the worst weaknesses a person may acquire on the journey of life. An inferiority complex means that a person unconsciously feels his weakness and lets it control him to such an extent that his life-journey is hindered, if not ruined. An inferiority complex usually shows itself in timidity—being afraid to do something because others may not approve of it, or in insolence, swagger, or bluster—trying to create a false impression. The boy in school who is always trying to act smart does so in an attempt to conceal his inferiority. He realizes his weakness, and in acting smart is trying to fool people. He would fool people much more easily if he were to act simply natural, not naturally simple.

14. Understanding Your Emotions. In order to manage yourself, it is necessary for you to know the most common human emotions; for, when you understand the effect of emotions, it will not be difficult for you to learn how to control them. Animals do the things they do because of their instincts; human beings do the things they do because of their emotions. Children are born with all the animal instincts. One of the greatest purposes of life's journey should be to see how far we can rise above the animal nature with which we are born. The further we get from this animal nature, the more human we become.

15. The Strong Emotions. There are various kinds of emotions, some of which are mild and upbuilding, but the emotions which we are most interested in learning to control are those termed the strong emotions. Some of these are destructive or likely to cause trouble. The strong emotions are:

1. Anger, rage, and fury; vexation and irritation; revenge, and, perhaps, jealousy and scorn.

2. Fear, dread, and terror; anxiety, worry; melancholy; grief and regret.

3. Excitement; uneasiness, nervousness; embarrassment; shock.

4. Extreme pity, sympathy; elation or enthusiasm.

An individual utterly unable to express any emotion presents a very colorless personality. Emotions need not be suppressed, but they do need to be always under complete control.

16. Activity and Efficiency. Activity means the quality of being lively, brisk, or busy. Activity is of little value unless it is directed toward something worth while. Many very active persons amount to little in this world; with some their very activity is their ruin. Several of the country's worst criminals have been very active and energetic fellows.

Efficiency is activity put to good use. It means the proper use of energy, which is what we might call horsepower.* Some persons have high energy, while others have low energy. If you happen to be one of those whom nature has endowed with low energy, don't try to make yourself over. You can learn how to use low energy to advantage. A slow-going truck may be just as useful as a high-speed racing car. It requires all kinds of people to make the world; that is probably the reason no two persons are alike.

17. Relaxation is Vital. As soon as you determine whether you are of the high or low activity type, your next problem is that of the amount of relaxation which you require. Relax means to let loose and take it easy. Activity depends upon rest periods. It may be necessary for you to alternate your work and rest to fit your own type of activity and energy. Some people need complete

*A standard unit of measurement of the work of a motor; it is equal to 33,000 pounds lifted one foot in one minute.



A personality may be attractive or unattractive according to one's ability to express and control the emotions. How many emotions can you name in these photographs?

rest, and others need only to shift their activity. Thomas A. Edison was a good example of the latter class. Discover as soon as possible the time of day at which you work best. Some people warm up to their jobs slowly, accomplishing little in the morning but hitting their pace in the early afternoon. Others follow just the reverse plan. Fatigue means lack of energy, and it is unfortunate for the person who is compelled to work when fatigued. His work has little, if any, value. The ideal plan would be for us to work only when we are full of energy, and to rest whenever we are tired, no matter what time of the day or night that may be.

Intense attention to any one activity over too extended a period will make a person tense, and prolonged tension interferes with good work. It is necessary, therefore, to be able to relax upon a moment's notice. By studying yourself, you will find out where you are tense. Often this is difficult and requires much practice. When you feel tense, always ask yourself what makes you tense. You have won half the battle when you have located the tension and its cause.

18. Temperance and Balance. No other quality you can discover in yourself will be as valuable as knowing how well balanced you are in your emotions. What most people consider ideal is termed *normal*, but there are very few normal people in the world. Those who are most nearly normal have a very fine balance emotionally; that is, they are not too strong or not too weak in any one emotion. When one emotion is very low, people are inclined to think of us as weak or shallow; when another emotion is unusually high, they are likely to consider us as odd or "goofy." Extreme emotion may be termed hysteria, while violent emotion usually indicates insanity. Prolonged thought along one particular line can easily throw a person out of balance unless he possesses more than ordinary caution.

A well balanced person never does any single thing to the exclusion of everything else. He has learned that the



A most difficult thing for many persons is to keep themselves well-balanced.

enjoyment of anything is lost just the moment he gets too much of that thing. He quits eating just before he becomes completely satisfied. For the person who wants to stand head and shoulders above the rank and file there is nothing he can do to accomplish this quicker than to watch constantly his balance, or poise. There are so few people in the world possessing this rare

quality that the ones who do have it shine like stars.

19. Learning to Think. After you have learned the various emotions and how they affect you, the next step is to find out whether you are above or below normal in reasoning power. *Reasoning is thinking, and the main difference between man and the lower forms of animal is in his ability to think.* Scientists claim that it is rare for a person under twenty years of age to do any real thinking. Learning up to that age is largely by imitation or by following instructions. No one in the world can *teach* you to think; no one can *think* for you; and no one can *prevent* you from thinking. There are two kinds of thinking, straight and warped. Straight thinking is possible only when the mind is free from bias or prejudice of any kind. When any human mind is filled with fear or superstition, only warped thinking can result. The straight thinker, before believing anything, questions everything that he hears or reads to make sure if it agrees with his own reasoning. If, after reading these lines, you accept without question the statements just made, then you will know that you have not yet learned to think.

20. The Meaning of Credulity. We cannot understand ourselves until we know the amount of credulity we possess. Credulity means readiness to believe on slight evidence. One of the greatest causes for credulity is superstition. Superstition means belief in omens, charms, and signs. All superstition is the result of ignorance. The more we learn in life, the less superstition we have; however, our learning must be accompanied by free thinking. There are many persons, otherwise well educated, who are superstitious. This is because they have done much learning, but little thinking. Superstitions began centuries ago when man was unable to understand the disturbances of nature. Such things as earthquakes, cyclones, lightning, and other forces of nature were supposed to be the work of the devil. Even in the colonial days of our own country, witches were supposed to ride through the air on broom handles and vent bad luck on certain people. Parents have used many superstitions to frighten children into being good. Early impressions during childhood are very lasting, and it is surprising how many persons go through life without questioning these childhood impressions.

21. Testing Yourself for Superstitions. In concluding the study of yourself, the following superstitions will test your ability to think and reason. Check yourself to see how many of these statements you believe:

It is unlucky to leave home and then return for something which you have forgotten. To avert bad luck, one should sit down and rest before starting out again.

The finding of a four-leaf clover will bring good luck.

Good luck will result from throwing a small coin into a well.

If one crosses his fingers during a game of chance, he will have good luck.

If you boast of any good fortune, you should immediately knock on wood.

Horse chestnuts will keep off rheumatism if they are carried in the pocket—they become hard and absorb all tendency to the disease.

Carrying a molar tooth wards off toothache.

The tingling of the right ear means that something good is being said about you; the left ear that something ill is being said.



Many resort owners reap a rich profit from people who throw coins into a wishing well.

Since mirrors have been the objects of the gods, it is unlucky to destroy the power to reflect. Seven years of misfortune will follow the breaking of a looking-glass unless it is willfully broken and thrown away.

Salt is supposed to be a symbol of friendship; hence the overturning of a salt cellar is an omen of broken friendship. One should throw a pinch of salt over the left shoulder to counteract bad effects.

22. Anti-Superstition Society. Recently the Anti-Superstition Society held a banquet in Chicago at which they secured a cross-eyed, red-haired woman, supposedly the worst omen of bad luck, as guest of honor. Thirteen guests sat at the table on Friday the thirteenth. One of the number spilled a bushel or so of salt around the dining room, and two ladders were erected so that guests were compelled to walk underneath them. Instead of flowers, a black cat was placed in a cage on the table. Guests in groups of threes lighted cigars from the same match. The odd man was requested to walk outside and look at the moon over his left shoulder. Knocking on wood was forbidden after bragging. Up to the present

time the society has had no report of bad luck from those attending the banquet.

23. Fakers Prey Upon the Gullible. There are persons too lazy to earn a living by honest toil who prey upon simple-minded folks who are easily frightened. Many persons will hand over their last dollar to a would-be fortune teller. It makes little difference what method is used by the faker—tea leaves, cards, lines of the hand, or bumps on the head—the more absurd the method, the more people believe in it. One of the most costly humbugs that has ever been devised is the chain letter superstition. Some-



It is difficult for some people to throw off old superstitions. They will worry more about the unreal than the real troubles in life.

one sends a letter containing some ridiculous request to half a dozen of his friends with directions to the recipient that he is to write this same letter to six, or more, of his friends. Extreme misfortune is supposed to follow anyone who breaks the chain. There is a surprisingly large number of well-educated people with college degrees who "fall for" this superstition. Just to find out what would happen, the authors of this book have purposely broken the chain whenever these letters have been received, but no ill effects have resulted.

The late Ivar Kreuger, called the Match King because he had a monopoly on the manufacture and sale of matches in many countries, is credited with having originated the superstition that it is bad luck for more than two people to use the same match. By creating this superstition, the sale of matches was increased by many hundreds of dollars.

24. What We Owe to Society. Every one of us owes a debt to the civilization into which we are born. We receive much at the hands of others; therefore we should give much in return—at least, as much as we can. We can give much by thinking straight and using our influence in helping to solve some of the problems facing the people in our community.



Many persons will hand over their last dollar to a would-be fortune teller.

We can learn to be skeptical of those seeking selfish interests. A critical, questioning attitude is an admirable habit of thought. It is unwise to swallow arguments that on the surface sound plausible. Look for the weak spots. To be critical does not mean to become a chronic fault-finder. Fault finding generally

is the habit of being obstinate to everything, regardless of merit. When we understand ourselves, we become more tolerant of the weaknesses in others, which, in turn, makes us more charitable.

Questions on the Text

Sec. 1. What journey is spoken of in Section 1? About how many years does that journey average? About what fraction of it have you probably completed? What is it well to do before going further? Why?

Sec. 2. What is a vagabond? What is an objective? Why should one have an objective or plan for his life? What may happen to him if he has none? According to great thinkers, what is the purpose of the journey of life? According to Walter B. Pitkin, what eight things does the human race crave?

Sec. 3. What two kinds of experiences are there? Why are unpleasant experiences necessary? What kind of a life is the happiest? What is one secret of making the journey of life successful?

Sec. 4. What does every journey require? What is your vehicle for life's journey? What does it resemble? Why has many an aviator failed to reach his destination? As far as the journey of life is concerned, why should you give your physical body much thought and attention? What are the first two questions every person should ask himself before starting out on the journey of life? Upon what do the answers depend?

Sec. 5. What three things are necessary for every journey? Over which two of the three things mentioned in the last question does one have control? Why? About what per cent of wrecks are avoidable? What are two causes of most of the human wrecks? What is the most deadly enemy to the driver of any vehicle? What lesson can we learn from this?

Sec. 6. How can you become time-conscious? From now on, will the days and years seem longer or shorter? Compared with the years you have already lived, how long will the next fifteen years seem? The fifteen years after that? At what ages do people notice the most decided changes? What are the types of these changes? What causes them? What should one do to get ready for the seven-year period ahead? When does one usually get the benefit of the preparation he is making? Upon what does one's future pleasant experiences depend?

Sec. 7. What is required to sustain a person during life's journey? For what is human labor usually exchanged? About how many things does one need on his journey of life? How are they paid for? If parents or relatives cannot care for children, who usually does it? What is the duty of all boys and girls in regard to supporting themselves?

Sec. 8. With what should every traveler equip himself? How much baggage does an expert traveler carry? What does he do in an emergency? What is the purpose of this book? Upon what subjects will this book give you information?

Sec. 9. What advice did the Indian give to Bishop Baker? When should one get information about a journey? What is one of the purposes of education? How can others who have made life's journey help us? Who must take the risks of your journey and pay for it? Upon what does the happiness and safety of your life-journey depend?

Sec. 10. What is the first and most important thing for every individual to understand? Why do people under twenty years of age know so little about themselves? At about what age should you become a self-manager? When should you begin to get ready for that?

Sec. 11. When may a person be said to be living in a fog? How can one get an unbiased picture of himself? What feelings does one experience through his emotions? Why is it necessary for one to control his emotions? What is one way by which a person can improve himself? Why is it helpful to study both the successes and failures of others?

Sec. 12. What should one do about trying to change the qualities with which he is born? Why is it untrue that any person can do or be anything that he chooses? Why is it unnecessary to hire an expert to point out our weaknesses to us?

Sec. 13. How do we come to have weak qualities? Illustrate. What should one do about trying to strengthen his weak qualities? Why should we not be discouraged because we have weak qualities? What is meant by an inferiority complex? How do people get inferiority complexes?

Sec. 14. Why should one know about human emotions? What

causes animals to act the way they do? What should people do about their animal instincts?

Sec. 15. Name the strong emotions. What should we try to do with the strong emotions? Why?

Sec. 16. What is the meaning of activity? When is it of value? What is the meaning of efficiency? What is meant by high energy and low energy? Illustrate.

Sec. 17. What is meant by relaxation? Why is relaxation necessary? How do some people relax? What is fatigue? Why should one not work when he is fatigued? What makes a person become tense? Why isn't it a good thing? How can one prevent it?

Sec. 18. What is meant by being well balanced in one's emotions? What sometimes throws a person out of balance? What are some of the marks of a well balanced person?

Sec. 19. What is the main difference between man and the lower form of animals? When is straight thinking possible? How can you tell when a person is a straight thinker?

Sec. 20. What is credulity? What is one of its main causes? What is superstition? How can one overcome it? When and why did superstition begin? Why are some people still superstitious?

Sec. 21. Name as many superstitions as you can remember, and tell which, if any, you believe in.

Sec. 22. Describe the banquet of the Anti-Superstition Society. Why do you think it was held?

Sec. 23. What is a chain letter? Why do people bother with chain letters? Will harm come to a person if he breaks the chain of a chain letter?

Sec. 24. Why do we owe a debt to society? What can we do to pay our debt to society? What does skeptical mean?

For Class Discussion

Sec. 1. How can we tell the length of time that people of different ages will probably live?

Sec. 2. In your journey through life, should you think mainly of yourself or of others? Discuss the eight things that Walter B. Pitkin says the human race craves.

Sec. 3. What can we do to avoid unpleasant experiences on the journey of life?

Sec. 4. What are some of the things that we can do to make and keep our physical bodies efficient?

Sec. 5. What are some of the things we can do to avoid going through life in a fog, so to speak? What can we do to control the circumstances of life?

Sec. 6. Discuss some of the changes that take place in people every seven years, and give the reasons for these changes. Can we do anything about them?

Sec. 7. What is the relation between a high state of civilization and the number of things people want in life? Is it everyone's duty to produce or contribute something?

Sec. 8. What sort of a tool kit and baggage would you like to have for your journey through life?

Sec. 9. In what ways can others help you to make your journey a good one?

Sec. 10. What are some of the things you can do now that will help you to become a self-manager?

Sec. 11. What can one do that will help him to control or adjust his emotions?

Sec. 12. Can any person do or be anything he chooses? How can one go about discovering his weaknesses?

Sec. 13. How can a person strengthen his weak qualities?

Sec. 14. What are some of the animal instincts with which we are born? What can one do to rise above them?

Sec. 15. What can you do to control the strong emotions mentioned in this paragraph?

Sec. 16. Give examples of how the activities of high-energy people should differ from those of low-energy people.

Sec. 17. How can a person tell when he should relax? What are some of the methods of relaxation?

Sec. 18. What can one do to become well balanced, or well poised?

Sec. 19. What can one do to become a straight thinker?

Sec. 20. What is superstition?

Sec. 21. Name some superstitions not mentioned in this section, and decide whether you believe in any of them. Do you believe in any superstitions?

Thought Questions and Problems

Sec. 1. How do insurance companies tell the length of time that people of different ages are likely to live? Why do the companies need to know this?

Sec. 2. Tell why you believe this statement: Our great men have done what they did for their own satisfaction or benefit rather than for the benefit of others.

Sec. 3. Explain and illustrate the statement: There is a positive and a negative to everything in the universe. Tell why you believe or disbelieve this statement: When a young person has once decided upon his life-work, he should never change his mind. Describe two unpleasant experiences that you believe have been a benefit to you.

Sec. 4. Decide whether you have any physical weaknesses and plan what you are going to do to strengthen them. Record your decision in a small loose-leaf notebook or in a small index file.

Sec. 5. What are some of the ways by which one can control circumstances instead of letting circumstances control him?

Sec. 6. Name three ways in which you have changed since you were 7 years old, and tell of three changes that you would like to see in yourself by the time you are 21 or 28.

Sec. 7. Do you think that everyone, even rich people, should work? Give reason for your opinion.

Sec. 8. Besides the tools and baggage needed to earn your way on the journey of life, tell what else you will need in order to enjoy the finer things of life. How do you plan to get them?

Sec. 9. What plans can you think of by which you can learn as much as possible from others?

Sec. 10. Ask your parents or best friends to tell you what they consider your worst faults. Make a note of them in your notebook together with your plan for overcoming them.

Sec. 11. Suggest a plan by which a person can overcome the feelings of fear and hate.

Sec. 12. Assuming that you have the qualities of good judgment and leadership, tell what you think you should do to develop them.

Sec. 13. What should one do in order to conquer an inferiority complex?

Sec. 14. What two animal instincts do you think it is hardest to overcome or rise above?

Sec. 15. Consider each group of strong emotions, and tell in what ways each group is likely to cause trouble.

Sec. 16. Are you a high-energy or a low-energy person, or neither? How does it help you to know this?

Sec. 17. Write a theme on the subject, "Edison's Habits While Working." How can one tell the difference between the need of relaxation, dislike of the work he is doing, or plain laziness?

Sec. 18. Describe some person whom you consider to have excellent balance, or poise.

Sec. 19. Tell what you think a high school pupil should do in order to learn to think.

Sec. 20. Explain why superstition is a form of ignorance.

Sec. 21. What would you advise a person to do in order to overcome his belief in a certain superstition?

Sec. 23. Name some other examples of gullibility besides belief in fortune telling and fear in breaking the chain of chain letters.

Sec. 24. Besides what you have already written in your notebook, write certain other things that you intend doing in order to make your life-journey happy and successful. Write this list of items on a sheet of paper, put it up in your room, and read it over at least once a week.

Word Study for Chapter II

SECTION

25. **Deft**—clever; handy; neat and skillful in action; apt.
Rejecting—refusing to take; throwing away; discarding.
Economics—the science that investigates the means of satisfying human desires.
26. **Predatory**—living by killing and eating other animals; plundering.
Instincts—actions without thought; natural inward impulses.
27. **Classified**—arranged in similar ranks.
Appraise—to estimate the worth of; to set a value on.
29. **Originators**—those who begin, create, or invent something.
Initiative—the first steps; beginning; leadership.
Haphazard—accidental; not planned.
Capitalizes—makes use of; uses as capital.
Testimonial—a letter or writing praising or favoring someone or something.
30. **Slovenly**—untidy; disorderly.
31. **Absurdities**—ideas or happenings which are foolish, unreasonable, or ridiculous.
Vileness—meanness; impurity; dirtiness; low-minded.
33. **Benefactor**—a friendly helper; a patron.
34. **Aspiring**—eager to rise or get ahead; ambitious.
35. **Sensitive**—quick to feel pain or injury; easily affected.
36. **Perception**—understanding; feeling; recognition.
Gush—to burst forth; pour out.
37. **Estimation**—a rough judgment of the worth or quantity of anything; an opinion.
Characteristics—particular marks or qualities.
Superlative—ahead of all others; the highest degree described by an adjective.
38. **Snobbishness**—the feeling that one is better than others.
Aloof—at a distance; apart; off.
Superiority—higher position, rank, or power.
39. **Truckling**—afraid to assert oneself; servile; cringing.
Logical—reasonable.

40. **Dross**—worthless material; scum from molten ore.
Contempt—the feeling one has for something mean, worthless, dishonorable, or bad.
41. **Psychology**—the study of the mind and its working.
Anthropology—the study or science of man, especially early man.
42. **Obstinate**—stubborn; unmanageable.
Intellectual—learned; cultured; having much knowledge.
Astrologer—one skilled in the science of the stars.
43. **Conceit**—vanity; high opinion of oneself; excessive pride.
Aptitude—readiness in learning; a gift, talent, or bent for learning or doing something.
Texture—formation or structure of a thing, whether fine or coarse.

Pretest for Chapter II

1. What qualifications of applicants do many employers consider of more worth than education or special training?
2. Name a number of animals and describe how their traits are different from those of other animals.
3. In what ways do men differ from lower animals?
4. How many general grades of value are there for everything in the universe?
5. How can we learn to get along easily with foreign people?
6. Which is more valuable to society, the people who are leaders or those who are followers?
7. Have you ever met two people who were just alike in every respect? By what method can you tell people apart?
8. Name and describe as many different types of people as you can.
9. What is the first step taken by detectives when a crime is discovered?
10. What reasons can you give that cause you to like or dislike a person when you first meet him?
11. Name four general types of faces.
12. How can you pick out a kindly person by his looks?
13. What may people do that will reduce the inclination to go to war with one another?

CHAPTER II

UNDERSTANDING OTHERS

25. **Human Nature a Life Study.** Next to understanding ourselves, there probably is nothing else we can acquire during our journey through life that will be more valuable to us than skill in understanding other people and deftness in handling human relations. There are about 125 million people in the United States, no two of them alike. To get along agreeably with the many people whom each of us will contact day after day, means that we must be able to recognize, first, those traits which are common to most people, such as the desire for fair dealing or the dislike of being criticized; second, those traits which belong only to certain types of people, such as extreme jealousy or the desire for public applause. The first problem is not so difficult as the second one. Some of our largest banking houses are openly rejecting young men who come to them with the best college training in economics and finance, but are quickly employing other young men, less learned, who show a natural aptitude for sizing up people and getting along with them. Outside of business, the need for understanding people is even greater. Many marriages are unsuccessful for no other reason than that the parties concerned lack an understanding of human nature and make no effort to understand and to adjust themselves to each other's disposition.

26. **Study of Animal Nature Helps.** Many of the characteristics of the lower animals are so common in man that we are accustomed to hearing certain persons referred to as foxy, catty, lion-hearted, bull-headed, cross

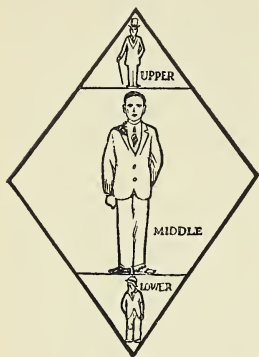
as a bear, snake in the grass, wise as an owl, or proud as a peacock.

The expert trapper of wild animals knows which type is inclined to be lazy and which type is extremely alert; he also knows that certain animals are very wary and cautious while others are so stupid that they may be caught by the crudest kind of traps. The predatory animals, those that are enemies to society, are constantly sought and killed on sight, the government paying a bounty on each one that is destroyed.

The fox is always timid and suspicious, cunning and scheming. The cat has a tendency to scratch its best friends at unexpected moments. The opossum is a good bluffer, like the man who can put on a poker face. The beaver stands as an example of intelligence and industry, which accounts for the common expression, "as busy as a beaver." The weasel delights in killing for the sport of it. The jackal is a low-down cowardly animal used by other animals to do their killing for them. The monkey is the supreme imitator and likes to show off before people; hence the term, monkey-shines. A young bear is the most dangerous of all animals. That is because he seems so affectionate and docile, and yet in a second he is likely, without the slightest warning, to turn into the deadliest enemy. Each of these characteristics may be found in the human race. The better we can understand the instincts in lower animals, the more easily we can understand the behavior of higher animals.

27. Grades of Quality and Value. As we have already learned, man is an animal, supposed to differ from the lower order of animals in his ability to think and to raise himself above the baser instincts. If you are a careful observer, you have noticed that the abilities or qualities of all animals may be classified in different grades, or levels. In everyday life we think of values as being high, medium, or low: we classify people as superior, average,

inferior, or rich, middle-class, poor; we think of things we buy as being high-priced, medium-priced, or low-priced. Grades of value run throughout nature, whether



Everything in the universe falls into three general levels. Through this fact we are able to judge values.

it be in reference to animals, flowers, trees, oranges, vegetables, or anything else that grows. It is because of these classes, or levels, that values in this world can be determined. To be able to appraise anything and determine its real value is one of the greatest arts; of course, the most successful people are those who master this art.

28. Nationalities Differ Widely.

Since America is made up of peoples from every nation in the world, it is necessary for us to learn something about the natural traits in certain nationalities. We know that the British are noted for their sternness and ruggedness, the Germans for their exactness and caution, the French for their art, the Italians for their music, and the Yankees for their speed and mechanics. The French and Italians are more excitable and impulsive than the English. People in colder countries are more energetic but less impulsive than those in warm countries. In our



The French are noted for their art, the Italians for their music, and the Yankees for their industry.

relations with people of any nationality, we must not overlook their national inborn traits; and, since we can-

not change national traits, we must adjust ourselves to them accordingly.

29. Originality and Imitation. Business depends upon two classes of people, the leaders and the followers. The originators are needed to create new things for the followers. Business pays its money to originators and gets its money from the followers. By far the larger part of humanity is made up of followers. They will do nothing until they first see someone else take the initiative. Let a well-known or prominent girl accidentally or carelessly throw a scarf around



Take the rope away and all the other sheep will jump when they reach the spot where the rope was. Why do they do it? Many people prefer to follow a leader because it relieves them from thinking.

herself in a haphazard manner, and other girls, concluding that this is a new style, straightway do likewise. Inferior people imitate superior people. It is natural to copy those whom we deem superior in taste, knowledge, or experience. Business capitalizes this fact, which accounts for the widespread testimonial advertising. Lombroso, the celebrated psychologist, explains this in terms of woman's ability to excite her imagination with outside objects. It enables her to imagine that she is a society leader or a movie queen by using the cold cream or toilet soap which the advertisements recommend. High school and college boys are as much, if not more, inclined to be imitators than girls. Talking, acting, and dressing according to prevailing custom is almost a fetish with them.

30. Types of People. While no two people, not even twins, are exactly alike in every respect, there are certain emotions and instincts common to all people, and certain

others common to people of the same general type. Few people run absolutely true to any one type, but there are two general types which we may easily identify—the emotional type and the intellectual type. The emotional type of person is affected by his feelings, or, as some might say, by his heart. The intellectual person is affected by his reasoning and thinking.



Kindly persons, with wit and humor, have lines like rays of sunshine radiating from the corners of the eyes.

Applicants for a position in the business world are generally required to make a written application and to visit a certain official for a personal interview. This procedure, employers believe, enables them to judge to a fair degree of accuracy the general characteristics of the applicant. A carelessly written application and a slovenly personal appearance suggest an indifferent worker. Employers

know that a dishonest person usually avoids looking straight in the eye the person to whom he is talking. Facial expressions and personal characteristics result largely from one's daily habits of thinking and living. As people grow older, the constant practice of these daily habits creates certain lines in the face. When we see a person whose mouth is upturned at the ends, we are inclined to think of him as being a cheerful, happy type; for, when a person smiles, the corners of his mouth turn up, and, if he smiles a great deal, his mouth remains more or less in this position. Many persons are judged by their handshake. A weak handshake, like a weak voice, usually fails to make a strong impression. As with everything in the universe, there are exceptions to every rule, and we shall often make mistakes in our judgment of other people; but this should not deter us from the constant study of human nature.

31. Talkative Type Often Misunderstood. There are men who find it difficult to express themselves without resorting to profane language, and there are women who seem unable to express a sense of wit or humor without telling a tainted story. It is unfair to class these people as bad, because many of them are harmless, pure at heart, and in a show-down would never do any real serious wrong. They are to be pitied for their poverty of words. The dictionary contains many words much stronger for expressing emotion than all the swear words ever invented. Humanity offers such an abundance of highly amusing absurdities that a person with a genuine sense of humor has no need to resort to vileness. Choosing proper associates is all-important in our journey of life—too much care in that respect cannot be exercised; but at the same time it would be unfortunate to make the journey alone simply because we may not always be able to find a flawless companion. Not all people who are free from bad habits are the most worthy. Dillinger, the country's worst outlaw, boasted of the fact that he never smoked, drank, or used profanity, but no self-respecting person would choose a person like him for an associate.

32. The Secretive Type. The secretive person is easily recognized. He is usually whispering to someone or calling somebody aside to talk to him confidentially. The secretive person dislikes looking you straight in the eye or having you look at him searchingly. He is extremely difficult to deal with because he gives no clue as to what he is thinking. Like everything else that is secret, he is looked upon with suspicion. Crookedness and secrecy usually march hand in hand, and it will be noticed that some organizations requiring strict secrecy usually are unable to stand up under the spotlight of open publicity and the demand of a square deal for everybody.

33. The Sponger Type. When we accept favors or help from others, we generally become obliged to return some-

thing in exchange. Every person is expected to contribute something to others for what others do for him. This contribution may be in the form of work, money, entertainment, or love. There are persons in the world who are known as spongers. They absorb everything they can without ever giving anything. It doesn't take the outside world long to get the number, so to speak, of this unpopular type of individual. Boys and girls owe an obligation to their parents, even though the parents may not expect payment in any form. The boy or girl who refrains from committing any act which may bring heartache or disgrace upon his or her parents will live a life of great contentment. Parents sacrifice for their children because of love for them. Many children intend to be appreciative but neglect ever showing their intention. Since no one can read our minds, it is of very little value to have good intentions unless we carry them out. Nothing is more useless than to wait until our benefactor has left this world and then to place a wreath of flowers on his grave. Lack of appreciation usually is due to thoughtlessness or false pride.

34. The Selfish Type. If we have no way of helping others, we can at least keep from actually doing them harm. The selfish person often treats his best friend or benefactor worse than he treats a total stranger. An example of how a thoughtless girl ruined her own career, and her father's at the same time, came to light recently. The girl's father, a prominent lawyer, was seeking election for district attorney on the promise that, if elected, he would rid the city of gamblers. His prospects for election were very bright. He hoped, with the greatly increased salary which this position offered, to be able to send his daughter to Europe for a musical education. Shortly before the election, the daughter allowed herself to be taken to a questionable night club which was raided by the police while she was there, and all persons present

were placed in jail. The next morning the newspapers carried large bold-faced headlines about the gambling daughter of the aspiring district attorney. This brought about the defeat of the father in the election. With one stroke this girl ruined her own future career as well as that of her father.

In another case, the family fortunes were ruined by a boy whose very wealthy father had made all plans for his son shortly to take over the business; there was every prospect of a fine future for the lad. One evening the boy took the family car, picked up several boy and girl friends, and started out to show them a wild time. The party got to scuffling in the car, and in the confusion the boy ran through a safety zone, killing three people. He was tried, convicted of manslaughter, and sentenced to five years in prison. The father spent the entire family fortune to save the boy, and succeeded in having him paroled after two years; but, as a result, the family is today living in extreme poverty.

35. Other Common Types. Nearly all people, regardless of type, dislike to be criticized, especially when the criticism is intended to hurt. Most people who are reasonable can argue without hurting the feelings of others or having their own feelings hurt, but it is always necessary to be on the lookout for the sensitive type of person. It pays to agree with him and even to let him win an argument. (Every experienced person in business knows that he may win an argument, but at the same time lose a sale.) Then there are other people who have to be handled with hammer and tongs, so to speak, in order to get along agreeably with them. There is little trouble in detecting the boastful or the talkative type of person. He is usually harmless, and what he says carries very little weight with thinking people. The most attractive person at a social affair is not always "the life of the party," but the person who listens and gets others to talking about

themselves. There is nothing the talkative type likes better; nothing will make a friend of this type more quickly than your being interested in his personal life and encouraging him to talk about himself.

36. Actions Are Caused by Motives. Before we can fully understand types of people, we must first understand motives; for motives usually make people do the things they do. When crime is committed, the first efforts of detectives are to discover the motive back of the crime. As a rule, if the motive can be discovered, the solution of the crime is very simple. Before we can understand a person's motives, we must discover in what that person is most interested. Most people remain chiefly interested in just six things: hunger, thirst, shelter, the opposite sex, money, and death. Some persons are difficult to understand because their motives are deeply hidden, and it requires a very keen perception to discover them. Other persons' motives gush so much upon the surface that no one can mistake them. Great care, however, should be exercised so that we do not get a false impression of the motives of some persons. In estimating people, we can easily overestimate or underestimate them. It requires an unusual amount of skill and practice to be

able to place the real value on any particular person. Generally speaking, more people are overestimated than underestimated.



Exaggeration is a common American trait. Sooner or later we learn to discount much that we hear.

37. Common Traits and Motives. In forming an estimation of people, especially of Americans, it is necessary for one to know those characteristics

which are common to most people. Extravagance and exaggeration are common American traits. Plain facts

are not interesting—every news writer admits this. For this reason, almost everything we read in the newspapers is generally highly colored. Even the post cards we send home from our vacation resorts picture a paradise. Very few motion pictures are as exciting as the glowing announcements. One cannot go far wrong by discounting a bit of gossip twenty-five to fifty per cent, or by “taking it with a grain of salt,” so to speak. Barnum, the great showmaster, is credited with introducing to the American public the use of superlative adjectives. Nearly every politician learns the art of exaggeration before starting a campaign for election.

38. Traits Easy to Detect. Another trait we can easily learn to detect is what is generally referred to as fourflushing. This means bluffing, boasting, or making a pretence of being well-to-do or of having superior knowledge. In girls and women, fourflushing may take on the practice of flattery and the use of honeyed words in order to curry favor with certain people. Close to fourflushing is snobbishness, which is indicated by shrugging the shoulders, turning up the nose, curling the lips, or tossing the head. Perhaps every community has certain boys or girls who hold themselves aloof because they live in a fine house or because their father is a prominent or wealthy man. A real aristocrat is usually admired because, instead of displaying his superiority in any way, he makes every effort to conceal it. The sincere, superior person is free from fourflushing and snobbishness.

39. The Study of People Requires an Open Mind. In order to understand people, we must be tolerant and approach them with an open mind. To be open-minded does not mean to be twisted like a straw with every changing wind; nor does it mean to be truckling or wishy-washy. The open-minded person has his opinions—and very firm ones; but when evidence shows him to be wrong, he is ready to change his views. In talking with strang-

ers, you can notice how they act, and you can learn what they prefer as to food, drink, clothes, furniture, music, religion, books, or recreation. This will enable you to understand many motives of people, and to avoid pre-judgment, which means forming an opinion of a person before you know that person. A logical person forms an opinion only after experience. When a person has had but little experience with human nature, he has a great tendency to form a biased opinion. The more you know people, the less biased your opinions are likely to be. It is through experience that we change our estimation of others.

40. Learning to Like People. Before we can understand humanity, we need to like people in general. We can like people not only as friends, schoolmates, or co-workers, but just as *folks*. With a few base exceptions,



No one in this world is perfect. There are times when even good old Santa Claus is criticized.

all people deserve to be liked. Nobody is perfect—even Santa Claus is sometimes criticized—but in the average man and woman there is more gold than dross. The person who tries to make the journey of life full of hate and contempt for his fellow men is doomed to the most miserable existence.

According to Dr. Donald A. Laird of Colgate University, the following

questions, which can be answered by "Yes" or "No," make the best test to decide whether or not we like a person. If it were possible for a person to be perfect, all of the answers would be "No."

1. Does he usually exaggerate in his statements?
2. Does he avoid going out of his way to help others?
3. Does he have the habit of showing off how much he knows?
4. Does he make his associates feel inferior or not so good as he is?
5. Does he try to boss others and tell them what to do?
6. Does he reprimand or "bawl out" those who do things that displease him?
7. Does he make fun of people behind their backs?
8. Does he practice being sarcastic?
9. Does he often fail to do what he says he will do?
10. Does he laugh at the mistakes of others?
11. Does he continually find fault with everyday things?
12. Does he have the habit of correcting the mistakes of others?
13. Does he always want to have his own way?
14. Does he fail to control his temper?
15. Does he tell jokes that embarrass others?
16. Does he try to get into arguments?
17. Does he always try to do all the talking?
18. Does he try to pry into other people's business?
19. Does he have a forced smile?
20. Does he practice flattery?
21. Does he enjoy gossiping?
22. Does he have the habit of asking people to repeat what they say?
23. Does he ask questions just to keep up a conversation?
24. Does he always try to reform others?
25. Does he talk much about his personal troubles?
26. Does he try to act dignified and unnatural?
27. Does he usually appear unhappy or gloomy?
28. Does he usually appear suspicious of others?
29. Does he make a practice of borrowing things?

30. Does he try to tell people their moral duty?
31. Does he talk too rapidly or too loudly?
32. Does he make fun of people to their faces?
33. Does he always appear to be lazy?
34. Does he make a practice of asking favors?

41. **The Study of People.** To be able to look at any person and judge his temperament or disposition is a valuable accomplishment—one attained only by a few who have studied human nature over a long period of time. Such a study involves careful observation of the lines, marks, expressions, and peculiarities of manner that different habits of thought and action leave upon the human face and body. It also involves a study of psychology, anthropology, and several other “ologies,” in order to learn about man and the motives behind his



Business men become quite skillful in reading the different types of faces. The eyes, mouth, brow, lines in the face—all betray what is behind the mask. Here we have a cheerful face, a grouchy face, an exacting type, a critical type, and a cautious type. Can you identify each?

actions. Few people, however, make such a thorough study of human nature, and those who do cannot agree upon definite rules that can always be relied upon in determining people's characteristics. There are more points against the theories of character reading so far suggested than there are points in favor of them. Nevertheless, the experienced business man is satisfied in his own mind that he is able to judge the aver-

age person to a fair degree of accuracy, and it matters little to him whether he does so by any fixed rules or by natural impulse. The main purpose of the discussion in this chapter is to get young people interested in observing

and studying people and working out their own system for judging them. Most people after considerable study and practice can easily recognize certain characteristics which are generally accepted as indications of temperament.

42. Ancient Superstitions. For many centuries people have been trying to find a quick, easy, reliable way of judging the mental traits of human beings. Aristotle, the great Greek philosopher who lived more than two thousand years ago, believed that people could be judged by comparing their physical characteristics with those of animals. The person who has a large head, he thought, is wise—like the dog; the one who has a small head is stupid—like the donkey. Even today some people believe this; they think, for example, that a man with a thick, bull-like neck has the fiery, obstinate traits of the bull, and the man with a slender, greyhound figure is keen, quick, and responsive like the greyhound. Science has proved that we cannot always depend upon such appearances. It has been discovered that an idiot may have a large, well-shaped head; that an intellectual person may have a small, medium-sized, or large head; and that a slender person may or may not be quick and keen of mind.

From ancient times until almost the present day, the general belief was that the stars and other heavenly bodies could affect the lives of people. Astrologers were supposed to know the influences of the stars and to be able to cast a person's horoscope or, in other words, tell his fortune. Superstitious people still believe in the influence of the stars upon people's lives.

43. Modern Attempts at Character Reading. Over a hundred years ago a German physician named Gall developed a theory by which he believed that he could find out a person's character and mental traits by observing the shape of the head and the location of the bumps on

it. He believed that the brain surface was made up of compartment-like areas, and that each area controlled a particular faculty. If an area was well developed, the faculty existing there would be well developed also. He thought, for example, that the bump of conceit was located on the upper back part of the head, and that the memory was behind the eyes. Gall's theory came to be known as *phrenology*, but it has been discovered that the human brain does not work the way he thought it did. Science has proved that many parts of the brain work in each thought process—rather than just one particular part; consequently character and mental traits cannot be determined by measuring the head and observing the bumps on it.

Another somewhat similar theory, known as *physiognomy*, attempts to judge a person's character and mental traits by observing the shape of his face, his eyes, ears, nose, mouth, chin, cheekbones, forehead, the color and texture of his hair, his height and weight, and the general appearance of his figure. A few examples will illustrate this theory. A person with small ears is supposed to be stingy and selfish, and a person with large ears standing out from the head is said to be generous. A well-developed chin is supposed to show will-power and determination. A tall person with a long face, high cheekbones, rather long neck, broad shoulders, and moderately full chest is supposed to have a motive temperament; he is thought to be an observer rather than a thinker, and is considered self-reliant, firm, and constant in love and friendship. Many of the rules of the physiognomists have been tested during recent years, and their theory has been shown to be unreliable. It has been found that human nature does not consistently follow such fixed rules.

Other unproved theories for judging character and mental traits include palmistry—reading the lines of the

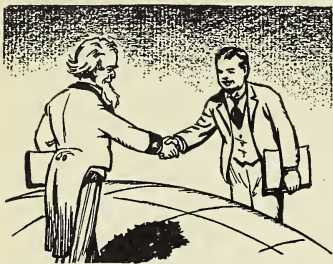
hands; chiromnomy—observing the form of the hand and the length of the fingers; graphology—analyzing one's handwriting; and numerology—analyzing a person's name.

In recent years numerology and graphology have had the most followers. Numerologists claim that certain names set up bad sound vibrations and that by changing one's name so that only pleasant sound vibrations are obtained, a person is sure to have better health and more success. Stage and motion-picture stars, whose real names are often very commonplace, usually adopt high-sounding, unusual names which they believe will make them appear more important in the eyes of the public.

Graphologists claim that sloping handwriting indicates a natural aptitude for music, poetry or art, and vertical writing, if naturally done, indicates an unemotional, practical or independent nature. Very angular writing is supposed to indicate energy, and very rounded letters indicate an even, easy-going temperament. Very proud people are supposed to use large capital letters and many flourishes. Persons who write a very small hand are supposed to be of a studious and thoughtful mind.

The many and various methods of attempting to read character and mental traits prove that through many centuries people have been intensely interested in trying to find certain rules or short cuts by which to judge human nature. None has been found entirely reliable. This is no reason, however, why we should not study people, for by constant practice it is surprising how much we can learn about people through our own efforts. The most interesting subjects to study are those for which there now exists little absolute proof. The lack of absolute proof should encourage us the more, because possibly we, ourselves, may be able to discover something which will enable people to understand one another better.

44. **Social Value of Understanding Others.** Since the World War, the nations have been interested in establishing universal peace. The League of Nations was formed



The better we know people, the less suspicious of them we become. The airplane and radio are rapidly bringing all nations closer together in understanding.

for this purpose. Preventing warfare among foreign nations or among our own people will continue to be difficult until more effort is made to get people better acquainted with each other. In order to do this, it is necessary to understand each other's nature; the strong and weak points in human nature; and the best way of dealing

with different habits, customs, religions, prejudices, opinions, and political views. Trying to force a change in human nature to suit the whims of some individual, or group of individuals, will continue to bring strife in the business, the social, and the political world. When we learn to understand others, we cease trying to be where we do not belong. It is a well-known fact that birds of a feather *should* flock together. It is seldom that a person is happy when he enters a group below or above his own level. The marriage of an aristocratic man to a girl reared in poverty, or that of a girl reared in the lap of wealth to a boy unused to the handling of money, seldom succeeds. A well-educated person seldom enjoys the companionship of an ignorant person, and vice versa. A truly educated person respects those who have not had educational opportunities equal to his own, and he does not parade his knowledge in dealing with such folks. He follows the policy of Lord Chesterfield, "Never seem wiser or more learned than the company you are with. Treat your learning like a watch and keep it hidden."

Questions on the Text

Sec. 25. In order to get along well with people, what traits should we be able to recognize? What abilities do banks demand of the boys whom they hire? What is the cause of the majority of unsuccessful marriages?

Sec. 26. What characteristics of animals are sometimes used to describe people? Describe the best-known traits of the following animals: fox, cat, opossum, beaver, weasel, jackal, monkey, and bear.

Sec. 27. Name and describe the levels, or grades, into which all animals and things may be grouped. What is meant by appraising?

Sec. 28. Why should we know something about the traits peculiar to people of different nationalities? What are some of the natural traits of the following peoples: British, German, French, Italian, and Yankee?

Sec. 29. Name and describe the two classes of people upon which business depends. Tell more about the larger of these two classes. How does business take advantage of inferior people?

Sec. 30. Name and describe two general types of people. What are some of the things employers consider in judging applicants for positions? Why and how are people judged by their facial expression and the lines in their faces?

Sec. 31. Are profane people always bad, or non-profane people always good? Give examples.

Sec. 32. How does the secretive type of person act?

Sec. 33. Describe the sponger type of person. What is a good way to show appreciation for what our parents do for us?

Sec. 34. Describe how the thoughtless girl ruined her own career and that of her father. Describe the case of the thoughtless boy. Can you think of other similar cases?

Sec. 35. What is meant by a sensitive type of person? How should we treat one? What are some of the marks of the talkative type of person?

Sec. 36. How do motives affect people? Why are motives of interest to detectives? In what six things are people chiefly interested? Tell why it is often hard to understand people's motives.

Sec. 37. What are two common American characteristics? Give four common examples of exaggeration.

Sec. 38. What is meant by fourflushing? How do girls and women fourflush? Describe and give an example of snobbishness.

Sec. 39. Explain what it means to be open-minded. How can one avoid prejudgment?

Sec. 40. In what ways can we like people? Why should we learn to like people? Apply Dr. Laird's test to yourself; counting 3 for each "No" answer and 0 for each "Yes" answer, what score do you get?

Sec. 41. What must one do before he is able to tell about a person's temperament and disposition just by looking at him?

Sec. 42. Describe two ancient methods of judging the mental traits of human beings. What do some people now think of these ancient methods?

Sec. 43. Describe the theory known as phrenology. Describe the theory of physiognomy and give three examples of it. What claims do graphologists make?

Sec. 44. What is necessary before war among nations will cease? What is Lord Chesterfield's advice?

For Class Discussion

Sec. 25. In what jobs, positions, and professions is it valuable to understand human nature? Why are people who understand human nature likely to be happier than those who do not? Why do bank officials think the ability to understand and get along well with people is more important than a college training in economics and finance?

Sec. 26. Discuss the animal qualities referred to but not discussed in the text; mention any other animal qualities you have observed in people.

Sec. 27. Give examples of the three grades or levels of size, quality, or ability in animals, people, and things. In what instances might it be difficult to distinguish between these grades?

Sec. 28. About what other national traits than those mentioned in the text do you know?

Sec. 29. Why should business pay more to those who originate styles and workable ideas than to those who help to make things? Give some examples of testimonial advertising. Does this type of advertising influence you when you buy?

Sec. 30. Tell why you believe or do not believe that experts can read people by observing their facial features, and give examples or instances to prove your point.

Sec. 31. Think of three common slang expressions and, without changing their meanings, try to express the same ideas in good English.

Sec. 32. What is the difference between the secretive type of person and the person who is able to keep secret his own private business affairs and those of the firm for which he works? Give examples of the sort of crookedness and secrecy which you think the authors have in mind in the last sentence of the paragraph.

Sec. 33. What do you do for your parents to show them that you appreciate all that they have done and are doing for you? Why is it not a good thing to borrow? Should it ever be necessary to borrow? Why do you think one person sponges upon another? Do you want a sponger for a friend?

Sec. 34. Name several ways in which boys and girls are sometimes selfish.

Sec. 35. Tell why you think it is possible or impossible for a person to overcome sensitiveness. If you think it is, tell how. Tell why you do or do not think there is any harm in teasing sensitive people. What kind of person do you think should be handled with "hammer and tongs"? Why? Why don't you like boasters? Why is it that talkative people are often inaccurate in their statements?

Sec. 36. Give an instance of a person's being misjudged because his motive was not known. Can you think of any things, other than those mentioned in the text, in which people are chiefly interested?

Sec. 37. Why do you think extravagance and exaggeration are common American traits? Do you know of any other national traits?

Sec. 38. Describe any cases that you may have observed of fourflushing and snobbishness in boys or girls.

Sec. 39. Describe what you understand by an open-minded person. Do you think that you are open-minded? What does it mean to be biased? Why is prejudgment an undesirable habit?

Sec. 40. If nobody is perfect, and practically everyone you know has more good qualities than bad ones, why do you like some people better than others? What is your definition of a friend? Why do you think it is that some people get on your nerves, so to speak, and you do not enjoy being with them? What should you do in such a case? What statements, if any, do you think should be added to Dr. Laird's test?

Sec. 41. In what ways do you think thoughts and actions leave their marks upon a person's face and body?

Sec. 42. What do you think of Aristotle's theory of judging a person's mental traits by comparing his physical characteristics with those of an animal? Give examples to support your belief. What influence, if any, do you think the stars have upon people's lives?

Sec. 43. Explain the following theories and tell why you think there is or is not any truth in each: phrenology, physiognomy, palmistry, chiromnomy, and graphology. Describe what you consider to be a good method for judging the character and mental traits of human beings.

Sec. 44. Discuss how understanding of others should tend to prevent war. Why does the effort to change human nature usually cause trouble? Discuss the quotation from Lord Chesterfield.

Thought Questions and Problems

Sec. 26. In what way or ways do you think a study of animals helps us to understand or get along better with people?

Sec. 27. Do you think it is more accurate to divide the qualities of people, animals, and things into five grades, or levels, instead of three? Why do you think the text divides them into three? Give examples of people who must be good at judging values.

Sec. 28. Find out about the traits of people of other nationalities than those mentioned in the text so that you will be better prepared to take part in the class discussion of this topic.

Sec. 29. How are styles made, and who makes them? Why do you think people throw away perfectly good clothes and buy those of later style?

Sec. 31. Why do you think people swear? Why do you think people use slang? How can a person get out of the habit of using slang?

Sec. 32. Give two reasons why people might not buy patent medicines if they knew the secret formulæ from which they are made.

Sec. 33. Describe some sponger or borrower whom you know, and tell why you think he does what he does.

Sec. 34. Describe some case where a selfish or thoughtless action did harm to someone.

Sec. 35. Consider the most popular person you know, and tell what you think makes him popular.

Sec. 36. There is a saying, "The road to perdition is paved with good intentions." Discuss this saying, showing what else is needed to avoid perdition besides good intentions.

Sec. 37. Make a list of instances of extravagance that you have observed or have heard about. What are the good or bad effects of extravagance? Many young children have a habit of exaggerating, telling little white lies and fairy stories, so to speak, and still have the habit even while attending high school. What is a good way to overcome the habit?

Sec. 38. Why is a boaster or a snob unpopular?



Sec. 39. What is meant by a biased opinion? Why is it dangerous to follow the advice of a person having such an opinion? Why is an open-minded person more popular than a conceited or big-headed person? What is the difference between being open-minded and wishy-washy, or indecisive? What is the danger of being wishy-washy?

Sec. 40. We enjoy working if we like what we are doing. It gives us pleasure to study and learn about the things we like and in which we are interested. Develop this thought in relation to the people we shall meet on the journey of life. Apply Dr. Laird's test to your best friend and to someone you know quite well but whom you don't enjoy. Compare the scores, counting 3 for each "No" answer and 0 for each "Yes" answer.

Sec. 41. What effect do you think the stomach, lungs, or liver can have upon one's brain or emotions?

Sec. 42. Read about astrology in an encyclopedia, reference work, or book upon the subject, and be able to give a report upon it to the class. Read about folklore customs and superstitions having to do with fortune telling, predicting success, preventing bad luck, and trait and character analysis.

Sec. 43. Find out more about the character and trait-analysis theories mentioned in this section. If your teacher wishes you to do so, prepare a paper or report upon one or more of the following: clairvoyance, crystal-gazing, dream-interpretation, hypnotism, lie-detection, magic, mental suggestion, mesmerism, muscle-reading, psycho-analysis, psychotherapy, or spiritualism. Find an advertisement which claims to teach one or more of the following: how to develop will power; secret laws of success; how to get dynamic energy; scientific psychology; applied psychology. Tell why you do or do not think the advertisements are fakes or rackets.

Sec. 44. Write a paper on what you consider one or more of the social values of understanding others.

Word Study for Chapter III**SECTION**

45. **Precaution**—forethought; foresight; care.
Indifference—no interest; disinterestedness; inattention; heedlessness.
46. **Finances**—having to do with money matters.
Shun—avoid; keep away from; evade.
48. **Competent**—able; capable; qualified.
Derangement—disorder; disturbance; madness or insanity.
49. **Inherent**—inborn; inbred; natural; ingrained.
Assurance—confidence; self-reliance; boldness.
Obligations—responsibilities; debts; duties; engagements; contracts.
Relentless—pitiless; unyielding; merciless; unforgiving.
50. **Futile**—idle; useless; profitless; valueless; unavailable.
51. **Concussion**—shock; a shaking; agitation; a shock of collision.
Anaesthetic—something, like chloroform or ether, that makes one insensible.
52. **Frailties**—failings; imperfections; a fault or sin due to weakness.
Aptly—fitly; suitably; appropriately.
53. **Parasite**—an animal or plant that lives on, in, or with another at whose expense it obtains its food; a hanger-on; a toady.
Shyster—a tricky lawyer; a trickster; a trickish knave.
Adjustment contract—an agreement that settles a matter in dispute.
54. **Protesting**—complaining; declaring or affirming, especially before a notary public.
Arbiter—an umpire, referee, judge or other person who has power to decide a dispute.
Ousting—driving out; turning out, ejecting.
Pugilism—the practice of boxing or fighting with the fists.

- Ethics**—morals; the science of moral duty; moral practices or principles.
55. **Decrees**—decides; commands; ordains.
56. **Embezzlement**—to make away with, squander or steal another's property.
- False pretenses**—untrue or dishonest claims or promises.
57. **Bail bond**—a written agreement by which a person or corporation agrees to forfeit a certain sum of money if a person does not appear when wanted by an officer of the law.
59. **Authorized**—having authority or legal power; having the right to act or command.
- Hazed**—annoyed or injured by overwork, unpleasant tasks, or severe practical jokes.
- Defendant**—one against whom a court action is brought; one who defends.
60. **Fictitious**—false; counterfeit; not real.
61. **Identical**—exactly alike or equal; the very same.
- Infallible**—no chance of being wrong; certain; unerring.
- Universal**—general; unlimited; all-reaching.
- Aliens**—foreigners; not citizens.
- Sentiment**—opinion; feeling; thought; notion.
62. **Behooves**—is proper or necessary for.
- Blemishes**—stains; spots; imperfections; defacements.
63. **Conceited**—"big-headed"; vain; egotistical.
64. **Pro rata**—in proportion; according to one's share, interest or liability.

Pretest for Chapter III

1. What is the main reason that so many people accomplish no more than they do in this world?
2. Name as many different kinds of trouble as you can.
3. What one thing causes most of our troubles?
4. Name a number of foolish things that people do which cause trouble.
5. About how much do you think it costs for a person to have a serious accident and be properly taken care of until he recovers?
6. When a person is a victim of an accident, what is necessary for him to guard against to prevent further trouble?
7. Why shouldn't a person talk back to an officer of the law?
8. Explain the difference between a misdemeanor and a felony.
9. When two people go to court to settle a dispute, one or the other usually wins. In view of this, why do most people try to settle disputes out of court?
10. Name and describe as many different kinds of serious crime as you can.
11. Which do you think is by far the most common crime?
12. Describe how detectives use a person's fingerprints in order to prove whether or not he is guilty of a crime.
13. Outside of what it may cost him, why does every person dislike to be arrested?
14. Do you know of any criminal who ever made money in the crime business?
15. Who has to pay all the expenses connected with detecting and punishing criminals?

CHAPTER III

KEEPING OUT OF TROUBLE

45. The Ups and Downs of Life. The journey of life, we have already learned, has its ups and downs, its pleasant and unpleasant experiences. The successful life is one which has more ups than downs. This is because the successful person learns early to use every precaution to keep out of trouble. Trouble of any kind is bound to bring a certain amount of worry, and it is a well-known fact that worry affects the digestive organs, often keeping our physical vehicle from hitting on all cylinders. In such a condition, instead of happiness, we have misery. The person in trouble tosses on the bed at night, fidgets in his sleep, and



The journey of life has its ups and downs for every person.

awakes in the morning unrefreshed with his trouble staring him in the face. The untroubled person hops out of bed in the morning glad that he is alive, and anxious to go forth to enjoy the experiences of the day. It is safe to say that about nine-tenths of our troubles are avoidable; the other tenth is thrust upon us. Most troubles result from carelessness, indifference, or the don't-care-a-rap attitude. With only one life-journey possible, it is difficult to understand why some people through shortsightedness allow that journey to be ruined.

46. Keeping Out of Trouble. The reason so many people don't amount to more is that they spend too much of

their time in getting out of trouble, most of which is of their own making—trouble with members of the family at home, trouble with teachers and schoolmates, trouble with finances, and then later, perhaps, trouble with the “in-laws,” outlaws, and officers of the law. It is difficult for a person to accomplish anything worth while when he is in trouble; it affects the physical body as well as the mind, and decreases efficiency. No one can think clearly, enjoy his meals, or get any kind of happiness out of life when his mind is troubled. We should shun trouble as we shun the smallpox, and even go out of our way to dodge it.

47. Kinds of Trouble. There are hundreds of troubles which require no great effort to get into, and there are other troubles which it requires a great effort to avoid. Sickness probably is responsible for more troubles than any other one thing. Accidents in which we get hurt come next. Violation of some law of the land is perhaps the third cause. Financial difficulties might be mentioned as the fourth; and domestic disorders (inability to get along agreeably with others of our own household) may be listed as another very common cause. Over-emotional people are more likely to get into trouble than under-emotional people are. The person constantly in hot water not only makes life miserable for himself but also keeps others from enjoying life as they should.



One of the most important things in this life is to learn early how to keep out of trouble.

48. How to Avoid Various Troubles. It is claimed that every individual has a weak spot somewhere in his physical as well as in his mental make-up. It is wise, therefore,

to find out as early as possible just where our weakest spots exist, and then constantly to protect these weaknesses. While doing athletic work, a boy may discover that he has a weak heart. In this case he shows intelligence when he gives up all strenuous exertion and consults a competent physician for a physical examination. A girl may discover that her eyes hurt when she studies. In this case she shows intelligence when she immediately takes steps to find out what is causing her eyes to hurt. She may discover that the fault is not in her eyes but in some other derangement. The unintelligent boy will probably buy a bottle of some patent medicine for his heart, while the unintelligent girl will purchase a pair of glasses at the ten-cent store. In both cases troubles will be increased instead of lessened. Our first job then is to keep out of trouble if possible; if we do get into trouble, the next task is to make sure of its cause before we try to remedy the trouble.

49. Financial Difficulties Mar Happiness. Money has been claimed to be the root of nearly all evil. The desire



Employees who allow bill collectors to call on them during working hours soon incur the displeasure of employers.

to live beyond one's means is responsible for most money troubles. The temptation to buy more than one is able to pay for seems to be inherent in human nature. Some persons avoid keeping account of their expenses because they do not want to know when they are going into the hole. They are afraid to face the facts.

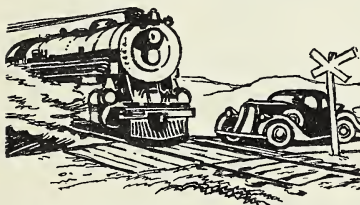
When a man or woman fears to face facts because facts may be unpleasant, that man or woman is headed straight into trouble.

Getting into debt without any assurance of ability to get out has shortened the journey of life for many thousands of people. Having bill collectors call upon one at his place of employment has cost many a person his job. A person's willingness to pay does not excuse him for his failure to meet his money obligations. Bill collectors are relentless, and trying to dodge them causes more worry than it is worth. The very fact that this worry lessens our efficiency often causes us more trouble.



The shadow of worry hovers around the person in trouble.

50. What's the Use of Worry? While it is a well-known fact that worry shortens life, there is no use in saying that one need never worry. Worry means to have great concern and anxiety. The right type of person *should* be concerned about his responsibilities and obligations. It is also futile to try not to worry when one is in trouble of any kind. The best way to avoid worry is to reduce to a minimum the taking of risks, and not to take on more responsibility and obligations than we can reasonably handle and still keep out of trouble.

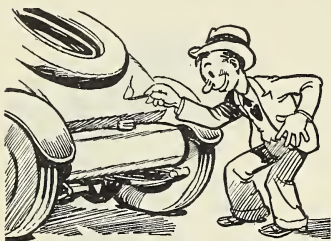


One little act of foolishness may cost a man his life, or all the money he can earn in a lifetime.

51. High Cost of Foolishness or Carelessness. One little act of foolishness has cost many a person not only his enjoyment of life but also every dollar that

he or his family could earn during a whole lifetime. Trying to beat a fast train over a crossing, trying to save a few minutes—generally worth little anyway, trying to

show off, and lighting a match to look at the gasoline in an automobile tank are only a few of the most common ways of getting into serious and costly trouble.



Foolishness puts many people into the hospital or the grave. Lighting a match to see if there is enough gas generally proves that there is.

Injuries at home may result from a fall on the stairs when hurrying to the telephone: an arm may be broken, or severe burns, cuts, bruises, or concussions sustained. Recently, Jerry, a high school boy, was injured in an automobile accident. Due to the nature of the injuries and to the necessity of being under expert observation,

confinement to the hospital for four weeks was necessary. Special nurses were required night and day for a week. In addition to bills for ordinary living expenses for the rest of the family, his father received, at a time when his bank balance was very low, bills as listed on the next page.

52. Accidents Are Costly. Most accidents of every kind are the result of carelessness. One of the greatest frailties in human nature is the failure to foresee the consequences of one's acts. Many accidents could be avoided if we could use more foresight. Someone has aptly said, "If our foresight were as good as our hindsight we would be better off by a durn sight."



Running risks needlessly is a common waste. Hospital bills can soon eat up our life savings.

Mr. John Smith,

to MERCY HOSPITAL, Dr.

(For your son, Jerry)

Admitted April 1

Discharged April 30

Terms: NET CASH

Bill must be paid before patient leaves hospital.

Room @ \$7.00 per day, 30 days .	\$210.00	
Board of Special Nurses	28.00	
Ambulance	15.00	
Operating Room	20.00	
Anaesthetic	15.00	
Dressings and Splints	20.00	
Medicine	5.00	
X-Rays	15.00	
Laboratory	10.00	\$338.00

DR. JOSEPH BLANK

1042 Downtown Bldg.

To Professional Services \$170.00

Statements rendered monthly

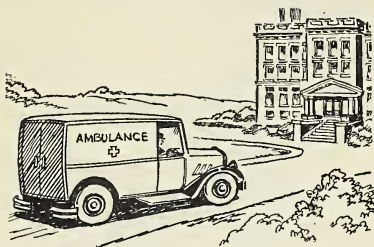
DORA J. ROE

Graduate Nurse

Special Nurses, 7 days @ \$14 per diem . . \$98.00

Total cost of trouble, \$606.00

Just one careless move, lasting less than a second, may put us in the hospital for months of suffering. It may

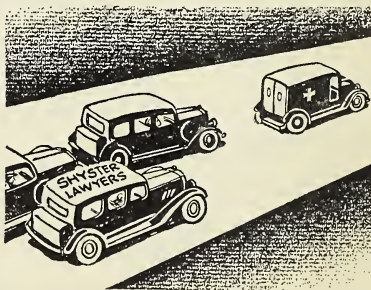


It costs money to ride in an ambulance and stay for weeks in a hospital.

make us invalids, dependent upon relatives or charity for support through the rest of our lives, or it may cost all the money that we and our parents can earn by hard toil through many years. We may have accident insurance which will help to

pay some of the hospital and doctor bills, but no insurance policy can make up for loss of time on the journey of life. Every day spent on a hospital cot or sick bed at home means just that much nearer the end of the journey with nothing except the scars to show for the time spent.

53. What to Do When in Trouble. The natural thing for every person to do when in trouble is to call for help, usually the help of friends. It is at such times that we appreciate the value of friendships. Strangers are not interested in our troubles unless they can profit by them. When troubles bring one into court, it is advisable to secure the services of a well-known and highly respected attorney, because an attorney knows the law and will protect one's interests. Contrary to the general impression, services



Wherever there is an accident, the shyster lawyers are not far away. Persons involved in an accident should never talk or sign any papers at the scene.

of a reliable attorney are not expensive. For a few dollars he often can save a person many dollars. Great care must be taken in selecting an attorney because there are many shysters who are poorly qualified and not reliable. Some of these shysters are known as ambulance chasers. When a man runs over another with his car, or himself gets run over, the ambulance chaser is quick to come to his relief. If the victim is too badly injured to talk, the shyster visits him later at the hospital. The object is to obtain signatures to adjustment contracts for small or unfair settlements; then the adjuster can reap sizable sums for himself. The latest manner of finding out about accidents and then getting victims speedily is by listening to the police radio. When the police announcer calls for an ambulance, the shyster or his employees (called cappers) dash to the spot. An injured person should never say anything or sign any papers until he is well on the road to recovery and has had time to consult with his own attorney. A reliable attorney will not seek a client.

54. Rules of the Game. In the game of life some people are given to protesting against the conditions and want to kick right and left when things do not go to suit them. In baseball, basketball, and other sports there are plays which are settled on points by the umpire or referee. It is easy to find persons who are always objecting to the decisions of the arbiter. Sometimes of course the judge, being human, makes a mistake, but that is no reason for ousting the official or calling off the game. A real sportsman knows the rules of the game and observes them strictly. Even in pugilism there are rules and ethics



Talking nasty to a traffic officer usually makes matters worse.

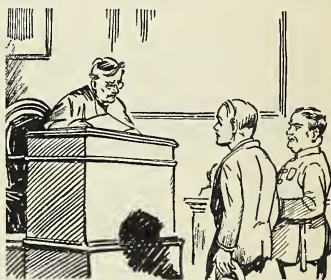
governing the activities of the fighters. It doesn't pay to be a crabber in sport; neither does it in life. A fatal mis-



A ride in the police car means that we are headed for grief. Some cities even include in the court costs the sum of five dollars for a short ride to the station.

take is made when a person arrested for a traffic violation or other minor offense becomes saucy or rude to the arresting officer and tries to "bawl him out." This usually results in being charged with several other offenses and increases the penalty severely. It also usually proves costly to show the judge any discourtesy.

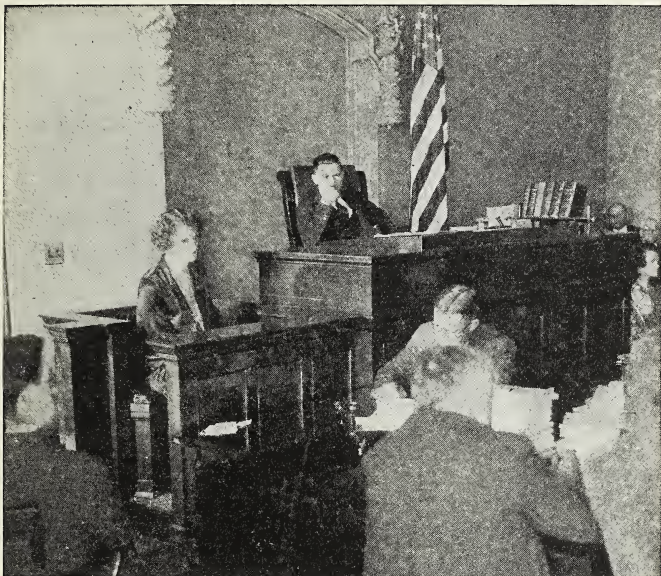
55. Lawbreaking Never Pays. One sure way to make life's journey in poverty as well as in grief is to get tangled up with the law of the land. Society decrees the right of every person to do as he pleases just so long as his acts do not interfere with the life and happiness of others. The person who is not willing for others to have the same freedom and enjoyment of life that he has must be brought into court and made to pay the penalty for his selfishness. Whether we win or lose in the courtroom, the trouble is bound to be very costly to us.



Having to face a judge on the bench takes a lot of joy out of life.

56. Civil and Criminal Wrongs. Violations of the law may be of two kinds, civil and criminal. A civil wrong is referred to as one relating to the private rights of an individual: for example, an injury to him or damage to his

property. A criminal wrong, or crime, is one in which the public is interested: for example, murder, robbery, or acts that threaten the safety of the public. Acts that affect both the public and an individual are both criminal and civil: for example, automobile damage cases, embezzlement, and obtaining money under false pretenses. In such cases a person may have to defend two court actions, both civil and criminal, for the same act. Lesser crimes, calling



A court trial is an ordeal for the accused. At the table in front of the judge are the court reporter and the lawyers. In the box at the left is the witness. The court room is usually filled with curiosity-seekers.

for imprisonment in the county jail rather than in the penitentiary, are spoken of as misdemeanors; more serious crimes are called felonies.

57. Court Costs Are Heavy. Both civil and criminal suits are often very expensive. In the case of the criminal suit there is the lawyer's fee to pay; it may amount to any

sum, from fifty dollars up to thousands of dollars, depending upon how much time and money it takes the attorney to gather evidence and locate witnesses, and also upon whether the case is appealed to higher courts. Then there is the cost of the bail bond, if the person being prosecuted has been put in jail and wishes his freedom while he is being tried. Persons charged with murder are not allowed to be out on bond. Besides the attorney's fee, the cost of the bail bond, and loss of time, there is the possibility of a heavy fine, to say nothing of the disgrace of imprisonment.



Minor offenders are placed in the "Tank" in a large city jail. This motley group of various nationalities is thrown together in one small room with little ventilation. Notice the beds arranged like filing cabinets. One night spent here should never be forgotten.

Civil suits are also expensive. Even if one wins, he must pay his attorney's fee and certain other expenses, and he loses considerable time from his work while he is consulting with his attorney and attending court. Sometimes, too, a person is able to prove that his rights have been violated, but is unable to prove any money damages. In a case like this he is given a judgment for only a few cents, called nominal damages. Wise people settle their private wrongs out of court whenever possible.

58. Young People Greatest Trouble-Makers. During the first quarter of 1934, the Department of Justice at

Washington revealed in its report for the entire United States the fact that more crime was committed by persons 19 years of age than by those of any other age. Seven-eighths of all crime was committed by persons under 30 years of age. The records show that auto theft is generally committed by youthful individuals. Of the total arrested for this type of offense, over 66 per cent were under 25 years of age; 59 per cent of those arrested for burglary and 53 per cent of those charged with robbery were less than 25 years of age.

The following offenses against life or property show clearly what weaknesses are greatest in man:

Larceny—stealing	12,530
Burglary—breaking into a building with intent to commit a crime	8,360
Assault—a violent attack	6,230
Robbery—stealing from a person by use of vio- lence or threats	4,250
Auto Theft—stealing automobiles	2,770
Embezzlement—wrongfully taking an employer's money	2,640
Criminal Homicide—murder	1,640
Carrying Concealed Weapons—carrying revolvers, knives, etc.	1,620
Forgery—wrongfully signing another's name . .	1,190
Criminal Assault—a violent attack with criminal intent	1,080
Stolen Property—possessing stolen property . .	920
Total	<u>43,230</u>

Recent success with the use of the Keeler Polygraph, commonly known as the "lie-detector," is evidence that science will soon make it practically impossible for any person to commit a crime and avoid detection. The lie-detector straps on the arm like the apparatus used by a physician when testing one's blood pressure. When we are confronted by danger of any kind, our body instantly organizes itself on a wartime basis. Quick power is rushed to nerves and muscles, as shown in an increased heart-beat and a definite rise in blood pressure.

59. Fun Often Gets Us Into Trouble. Practical jokes and youthful pranks often result in serious trouble which may cost us the savings of months, or years of hard labor. Our American government guarantees to every individual the right to do as he pleases just so long as his acts do not interfere with others in their pursuit of peace and happiness. Only authorized officers of the law have the right to give orders in directing people in what they can or cannot do. Tom, Dick, and Harry do not have this right. The entire force of the army and navy is ever ready, if necessary, to back up any person in demanding the right to go about his daily affairs unmolested. Whoever chooses to molest others must be prepared to pay a heavy price, either in dollars or in time behind prison walls.

Recently ten girl students of a certain high school hazed one of their classmates for attending a school basketball game with an escort. The hazed girl, claiming injuries, brought suit against the ten girls and was awarded \$2500. The judge ruled that the defendants must pay when they become of age. As this is being written, suit for \$16,000 is being brought against a grocer whose clerk put an apple under the blanket on the seat of a young lady's automobile. The young man clerk admitted perpetrating the joke and was promptly discharged, but the grocer still must defend the suit at the usual great expense.

60. How Girls Get Into Prison. Rapidly changing styles are the chief cause of the steady increase in crime among women under thirty, according to Mrs. Nettie J. Yaw, deputy sheriff of Los Angeles County. When she first went into office twelve years ago, there was only one woman in the county jail. Today it is customary for Los Angeles jails to house as many as 160 women. Most of the women offenders are charged with passing fictitious checks, thinking that an easy way to get money to keep

up with present-day fashions. It seems that some girls feel that they must wear the latest style even if it means wearing it into jail.

61. Records of Fingerprints. It is the duty of law-enforcement officers to make fingerprints of all persons arrested for serious crimes and to forward a copy of these fingerprints daily to Washington, D. C. Since no two persons in the world have identical fingerprints, this method of identifying persons has proved almost infallible. Plans are now being made for the universal registration of fingerprints of all inhabitants of the United States, both citizens and aliens, whether they have been in trouble or not. In the past, there has been some public sentiment against having all persons fingerprinted, but since the recent wave of kidnapping both children and adults, most people now are glad to see put into effect any successful method for catching criminals. No one should object to being fingerprinted. It may be of great value to him if he is ever wrongfully accused. Then, there are many cases where large insurance policies have not been paid to the members of a needy family because they had no method of proving the identity of a supposedly dead relative. Some South American and other foreign countries will not allow a person from the United States to enter without both a passport showing the traveler's fingerprint and a certificate from our police showing a clear record for the traveler. Again we can see how a police record may some day prevent us from doing something we long to do.



These finger prints led to the detection and capture of one of the most noted young criminals.

62. Records Follow Through Life. Every time a person gets into trouble with the law, there is a court record

made which is kept for many years. When a prisoner is brought to the bar of justice, one of the first questions is,



Even if a person chooses to ruin his own life, he has no right to ruin the lives of others.

always staring some people in the face when they are trying to find a job. Attending court takes a person away from his work, which causes loss or inconvenience to employer as well as to employee. No one wants to risk hiring a worker with a court record when so many other good workers with a clean slate are available. It behooves every individual, therefore, to make the greatest effort to keep a record free from blemishes, even if the blemishes be only traffic violations.

63. Crime Poor Paying

Business. Lack of brains is about the only reason that

can be given for a person's following crime for profit. Why steal? When burglars or hold-up men go to sell

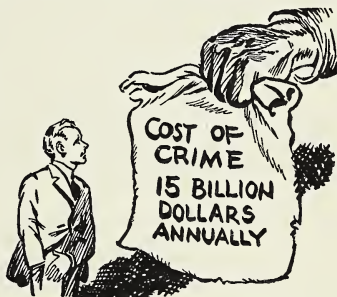
"Have you ever been in court before?" An affirmative answer means a stiffer sentence. A number of offenses—in some states the limit is five—constitutes what is known as a habitual criminal, and if the crimes are felonies, this means a life sentence in the penitentiary. Court records are



When the Sheriff clanks the heavy steel doors behind a young man, a part of that young man's life is blemished forever.

their stolen goods to a "fence," they get almost nothing. With half the trouble and effort required to plan and to get away with a crime, a person can go out and earn twice as much money in an honest way and have no consequences to worry about. With all the scientific means now being worked out by hundreds of expert and long-experienced detectives, the average young criminal, with his conceited idea of cleverness, hasn't a chance in the world of getting far. It would require more than his entire lifetime to learn about all the forces working against him. The fact that the crimes committed by individuals nineteen years of age, or under, outnumber those by people of any other age, according to the report of the Department of Justice in Washington, proves that, as a person gets older, his common sense forces him to rid his mind of any desire to commit crime. He learns that it is too costly a business.

64. Cost of Crime to Society. According to Daniel Beecher,* the daily cost to the American people for crime is estimated now at thirty-five cents a day for every man, woman, and child in our



Each and every one of us has to dig down into our pockets to help pay this crime bill. Anything we do to help prevent or detect crime means a saving of money for each of us.

entire population. Thirty-five cents a day for anything adds up to \$127.75 a year. John Jones is an honest man with an honest wife and two small children; he helps to pay this crime bill. If he is a property owner, he must pay the crime bill for those who are not. His pro rata share, according to our informant, will be \$511 per year—quite a heavy sum for John Jones, particularly when

*Deputy District Attorney, Los Angeles County, California.

food, shoes, and other things have to be bought for the children. Now that most states have the sales tax, this cost of crime is being paid by every individual, whether he owns property or not. The more we spend on crime, the less we have with which to buy automobiles, gasoline, groceries, and clothing. To the cost of every article we buy in a store must be added the loss which the merchant sustains from theft. Thus it is evident that anything we do personally to cut down crime helps to make us better off financially.

Questions on the Text

Sec. 45. Why does the successful life have more ups than downs? How does worry affect us? How does a troubled person act at night? What per cent of troubles are avoidable? What is the cause of most troubles?

Sec. 46. Who causes most of our troubles? Name some common kinds of trouble. Why can't a person accomplish anything while he is in trouble?

Sec. 47. Name five causes of trouble in the order of their importance. What kind of people are most likely to get into trouble?

Sec. 48. Why should we try to locate our weak spots? What should we do when we locate a weak spot?

Sec. 49. What is said to be the root of most evil? What is the cause of most money troubles? What should we think about before getting into debt?

Sec. 50. What does worry mean? What is the best way to avoid worry?

Sec. 51. Name some acts of foolishness that are likely to cause trouble. Name the expenses that Jerry's father had to pay on account of the automobile accident. What was the total amount of the bills?

Sec. 52. How could most accidents be avoided? What sort of losses are not covered by accident insurance?

Sec. 53. To whom are people likely to go when in trouble? Describe how ambulance chasers operate.

Sec. 54. Why is it well to observe the rules of the game?

Sec. 55. To what extent can we do as we please on the journey of life? What is likely to happen when we interfere with the rights of others?

Sec. 56. Explain the difference between a civil and a criminal wrong. How is it possible for an act to result in both a criminal and a civil wrong? What is a misdemeanor? a felony?

Sec. 57. Name some of the items that make lawsuits expensive. What is meant by nominal damages?

Sec. 58. At what age is most crime committed? What per cent of crime is committed by persons under thirty years of

age? What offenses are more often committed by foreign-born whites? by native-born whites? About what per cent of the offenses have to do with people taking something that does not belong to them?

Sec. 59. In what way are we guaranteed the right to go about our daily affairs without interference from others? Tell about the hazing and the joke incidents described in this section.

Sec. 60. To what extent is crime among women increasing? What is the chief cause of the increase of crime among women?

Sec. 61. What is the purpose of taking a person's fingerprints? Why should everyone be fingerprinted?

Sec. 62. How do court records follow a person through life? What are some disadvantages of having a court record?

Sec. 63. From a money standpoint, why doesn't stealing pay? Why are criminals usually caught?

Sec. 64. Why are policemen necessary? What is the daily cost of crime to every man, woman, and child in the United States? On this basis, what would be the yearly cost to a family of four? How does crime affect the cost of articles we buy at the store?

For Class Discussion

Sec. 45. If you have ever worried about anything, explain how it affected you. Judging from your own experience, do you believe that nine-tenths of our troubles are avoidable?

Sec. 46. Explain how trouble affects both the body and the mind, thus making it impossible to do anything worth while when we are in this condition.

Sec. 47. To what extent do you think the following can be avoided: sickness? accidents? violation of law? financial difficulties? domestic difficulties? Why are over-emotional people more likely to get into trouble than under-emotional people?

Sec. 48. Name some weaknesses that are likely to get people into trouble, and tell what can be done about them.

Sec. 49. Explain and give examples of how the desire to live beyond one's means gets one into financial difficulties. Tell why you do or do not believe that keeping track of one's ex-

penses will help to keep one out of financial difficulties. Under what circumstances is one justified in going into debt?

Sec. 50. To what extent, if any, do you think worry is necessary or justifiable? Why do some people worry more than others?

Sec. 51. What acts of foolishness do you know about that have caused expense or trouble? Examine the bills presented to Mr. Smith and be prepared to ask questions about any items you do not understand.

Sec. 52. Name what you consider to be the most common causes of automobile accidents. Give examples of what you consider unavoidable accidents.

Sec. 53. Give an example of: a case of ambulance chasing; an unfair accident settlement; or the loss of a lawsuit over an accident for which the loser was not to blame. Why should a person not settle for an accident while he is still in the hospital?

Sec. 54. What do you consider some of the rules of the game of life? Why doesn't it pay to be a crabber?

Sec. 55. To what extent can we do as we please?

Sec. 56. What is the difference between a crime and a civil wrong? Give examples.

Sec. 57. Discuss some lawsuit that you know about.

Sec. 58. Why do you think most crime is committed by people under thirty years of age? Which is most to blame for the amount of crime in this country: the home, the school, the church, the police, or the courts? What do you think can be done to lessen crime in this country?

Sec. 59. Tell of some joke or prank that got someone into trouble. What kind of fun or jokes are not dangerous?

Sec. 60. What do you think are the chief reasons that girls get into prison?

Sec. 61. Give all the reasons you can think of for and against universal fingerprinting. Using the stamp pad and paper furnished by your teacher, make your own fingerprints. Compare yours with other members of the class. In what ways do the prints differ?

Sec. 62. Tell of some case you have heard about in which a person's court record or school record proved harmful to him.

Sec. 63. Give as many reasons as you can to show that crime does not pay.

Sec. 64. From the figures given in this paragraph, what is the total money cost of crime per year in the United States? What are some of the other costs besides money?

Thought Questions and Problems

Sec. 45. As you look ahead along the journey of life, what are some of the things you can do to head off unpleasant experiences? From what you have seen of troubles, especially those caused by accidents, be prepared to prove or disprove that most of them result from carelessness or indifference.

Sec. 46. What precautions do the police department, health department, and other governmental agencies take to protect the public against accidents and other troubles, especially in large cities? Name a few of the common human troubles and tell what precautions a person can take to avoid them.

Sec. 47. Give an example of how persons in trouble keep others from enjoying life as they should.

Sec. 48. Quick temper, stealing, lying, and lack of dependability are the causes of much trouble in this world. If a person has one of these weaknesses, how should he go about overcoming it?

Sec. 49. Give examples, or write a discussion of "Dangers and Disadvantages of Living Beyond One's Means."

Sec. 50. Why or why not is worry unavoidable?

Sec. 51. Many young people are hurt or get into trouble while trying to show off. Give one or more examples illustrating this.

Sec. 52. Be prepared to tell about some costly accident, or one that caused suffering and inconvenience to others. Could it have been avoided?

Sec. 53. What should one do at the time of an automobile accident? What would you do if you were lost in the woods or mountains? What would you do if you missed train connections or were otherwise stranded in a big city? What would you do if you were hurt or taken sick while traveling? What should one do if he witnesses an accident?

Sec. 54. What is a good sport?

Sec. 56. Look up the meaning of the word, tort, in the dictionary. What does it mean? Give some examples of torts. What is the difference between a tort and a breach of contract?

Sec. 57. Explain to the class how cases are settled out of court.

Sec. 58. Be able to explain in some detail the meaning of the following: burglary, fraud, larceny, possessing stolen property, and robbery.

Sec. 59. What is meant by a practical joke? Suppose two automobiles, without the fault of either driver, collide, and both drivers are injured. Should one be entitled to collect damages from the other? Why or why not?

Sec. 61. Describe the method of classifying fingerprints that makes it possible to locate one fingerprint among many thousands. How is it possible to send the description of a fingerprint by telegraph or teletype? Are any two fingerprints alike?

Sec. 62. (a) Find out if there is a habitual criminal act in your state; if so, how many offenses make one a habitual criminal? (b) When being hired for a position involving the handling of money, most firms require the applicant to furnish what is known as a fidelity bond. The companies furnishing such a bond agree to make good any losses that a firm may suffer through the dishonesty of the employee. Find out: what questions the applicant must answer when applying for the bond; what questions the employer must answer; and what questions are asked of the references furnished by the applicant. (c) An applicant must also fill out an application blank when applying for a responsible position. What questions are usually asked on an application blank? (d) What do the questions and blank mentioned in "b" and "c" have to do with a person's record?

Sec. 63. Why is it difficult for a criminal to avoid being caught? What are some of the reasons that make it hard to catch criminals? Why do you think that some criminals, after remaining in hiding for months, finally voluntarily give themselves up to the police?

Word Study for Chapter IV

SECTION

65. **Refinement**—culture; politeness.
Degree—a certain amount; a measure.
Application—relation to; connection with; place; use.
Discarded—thrown away; laid aside; rejected.
Scan—examine; look at; inspect.
66. **Indicate**—show; represent; point out.
Niceties—acts or things that are nice, delicate, or refined.
Indolent—lazy; idle; sluggish.
Frantically—very excitedly; in a distracted manner.
69. **Betrays**—shows; indicates; exposes; reveals.
Poise—balance; graceful carriage of the body.
70. **Persists**—continues; lasts; remains; endures.
Visors—the front piece of a helmet; a projecting piece on a cap that shields the eyes.
Lift—elevator; hoist.
71. **Aggravating**—provoking; exasperating.
Trivial—unimportant; petty; trifling.
72. **Dominate**—rule; govern; exercise control over.
75. **Profuse**—extravagant; a very great deal; lavish.
76. **Assumed**—taken for granted; supposed.
Presume—take liberties.
79. **Drummer**—a traveling salesman.
80. **Permissible**—allowable; that which is permitted.
Monopolize—to have all to oneself; to have exclusive control of a thing.
82. **Breach**—break; violation; non-observance.
Maneuvering—managing and moving around for some purpose; scheming.
Propriety—proper conduct; fitness; a recognized standard of what is correct or fitting.
86. **Tactful**—ability to deal with others without giving offense; graceful and considerate.
88. **Crucial**—trying; severe; critical; searching.

89. **Inflection**—change in pitch or tone of the voice.
93. **Taboo**—forbidden by social usage; prohibited; set apart or made sacred by religious custom.
Anecdote—an account of some personal incident or event.
Random—with no aim or purpose.
95. **Counter-argument**—an argument that answers or opposes another.
Supreme—highest in power, authority, or rank; utmost.
97. **Promiscuously**—without careful choosing; in a hit-and-miss manner; indiscriminately.
Superior—higher; upper; higher in rank or office.
98. **Public utility**—something of use to the people of a community, such as the gas system, telephone system, or electric-light system.
Exclusive—enjoyed by oneself with others shut out; able to prevent others from entering.
99. **Restricted**—limited; held back; restrained.
Ponder—to weigh in the mind; deliberate; consider.
Flippant—talkative; nimble of speech; thoughtless; pert; saucy.

Pretest for Chapter IV

1. In what ways are good manners important?
2. Why do many people have bad manners?
3. How did the custom arise of a man's raising his hat when meeting a woman?
4. Where is it especially important to use good manners?
5. When you go visiting, what gives you the most concern for fear you may not act properly?
6. Why do some people like to have labels on their traveling baggage showing all the places they have visited?
7. In what kind of traveling do you think the most discourtesy is shown?
8. Describe the proper manners in a public dining room from the time one enters until he leaves.
9. What should you say when introducing one friend to another? How should one acknowledge the introduction?
10. What is the most important rule to observe when others are talking?
11. What are some people inclined to do when they see they are getting the worst of an argument?
12. Describe the precautions you would take before going to interview a business man in regard to a position.
13. Describe some ways in which a person may be rude while using a telephone.
14. What are some of the objections to using a neighbor's telephone?
15. If everybody were more courteous and polite to each other, how would this be of real benefit to society?

CHAPTER IV

GOOD MANNERS

65. **The Mark of Refinement.** It is not uncommon to hear the remark, "That person is a diamond in the rough," meaning that a person has an excellent character and personality but lacks the necessary polish to make an immediate impression. Not everybody is able to detect a diamond in the rough; therefore it is necessary to acquire a certain polish and a degree of proper social conduct in order to make a favorable impression on the people we meet. This polish—proper conduct or good manners, has been referred to in the past as etiquette. The rules of etiquette have grown out of custom, and not all of these rules have any sound application in modern life. Many of them are being discarded. Even the name, etiquette, is being replaced by just plain "good manners." In order to keep up-to-date, it is necessary for everyone to scan occasionally the high-class magazines for articles showing new trends in social behavior. Books on etiquette written ten years ago are now quite out-of-date. In judging human nature, we should be careful not to allow good manners to influence us too much. Many of the worst scoundrels have the finest manners and polish; in fact, they must have them in order to help hide their wrongdoing. Good manners cannot make a person better than he really is; they only make him appear better. They can, and do, however, make one a more pleasing associate.

66. **Good Manners Indicate Energy.** The person who has a high degree of polish may be accused of many things, but he cannot be accused of laziness. Many people who laugh at the little niceties of life are themselves too

indolent to go to the trouble of acquiring them. Emerson says, "Good manners require a great deal of time," but today the average person has more leisure time than he knows what to do with; so we can no longer plead lack of time as an excuse for lack of good manners. We could use a lot of this leisure time if we were fairly polite to each other, but we push and jostle in train exits and theaters to be the first to get out; we dodge in and out of the line of cars on the road, trying to get just one jump ahead of the other fellow; we almost get heart failure if we don't get a telephone number the first time we dial it; we nearly kill ourselves leaping into revolving doors; and we dive frantically for elevators as the gates close in front of us. Imaginary hurry is responsible for much of our discourtesy.

67. Awkwardness and Clumsiness. "God may forgive us our sins, but awkwardness has no forgiveness in heaven or earth," says Emerson. Some persons are naturally graceful, and others have trouble doing anything without stumbling or fumbling. Clumsiness, like most other faults, is curable, and gracefulness is often the result of training. It is claimed that awkwardness is more common among girls than boys, but there are no proofs of this. Perhaps we notice more the awkwardness in girls than in boys. A girl is supposed to be more graceful; it is one of her greatest



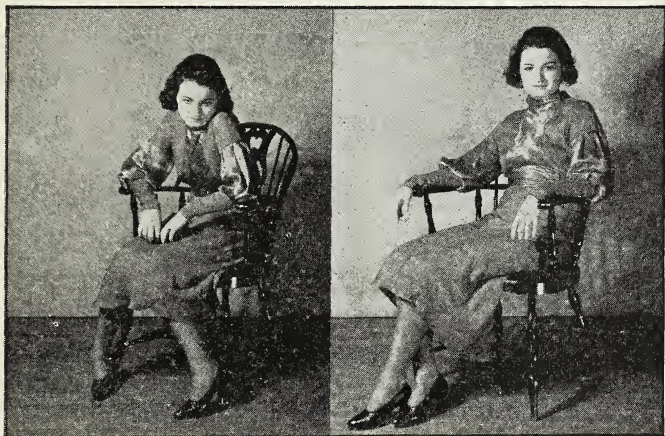
"Awkwardness has no forgiveness in heaven or earth."

—Emerson

charms. Unfortunately, many girls who fail to make a good impression do not realize their shortcomings. They cannot see themselves as others see them. Calling attention to ugly personal habits is a delicate subject,

and our best friends or relatives hesitate to do so even when they sincerely want to help us. Much awkwardness is the result of unnecessary hurry. The truly graceful person never hurries; at least she never gives you the impression of haste, although she accomplishes just as much as the excitable, high-strung girl full of activity.

68. Graceful and Awkward Postures. There is a graceful way to sit down, to rise, to stoop over, to get up off the



Twisting the feet into an awkward position makes many girls unattractive. The photo on the right shows a graceful position.

floor, and even to stand when doing nothing. A graceful person never crosses the knees. The upper legs are crossed instead, well above the knees, so that the top leg drops easily down in the same general direction as the supporting one. This gives a good slanting line from chair to floor instead of a display of shoes and stockings. It makes one look more slender, when standing, to keep the feet and legs well together, though not, of course, actually pressed together. The knees should never be spread apart, as this broadens a person all the way from the

waist-line to the heels. The feet should be parallel, but one foot should be a trifle advanced—it will be noticed in all fine full-length photographs and portraits that one foot is advanced. This gives a look of life and motion. People who sit awkwardly usually seat themselves the same way, doubling up like a jackknife and flopping down. The most graceful way to seat oneself is to stand before the chair with one leg barely touching the front of it and the other



Some girls think a slouch looks cute. Here is a chance to compare an unattractive with a graceful way of standing.

foot slightly advanced, then, sinking through the knees, to come down into the seat lightly with head and back erect. Sit all the way back in the seat until the hips touch the back of the chair.

69. Arising Properly. When getting up from a low chair or the floor, use one foot a short step ahead of the other. When picking up anything from a standing position, let yourself down from the knees and ankles, head and back erect, then sink within reach of the article. To arise, reverse the procedure. In walking up and down

stairs, keep the head and body erect, and the hips well forward. Many people when in public don't know what to do with their hands. It betrays lack of poise to twiddle

and fuss with them. The hand should follow the line of the arm both in action and repose. Uncomfortable persons hold their hands as if something terrible may happen any minute. A fine way to practice correct poise as you move about is to put a book on top of the head and one on each outstretched hand, then



Stooping over to pick something up from the floor can be done gracefully or awkwardly.

try to sit and rise, go up and down stairs, and stoop to the floor and get up—all without disturbing the books. If you spill them, you have not learned the art of being graceful.

70. Customs When Walking. The custom of the man's placing himself on the outside next to the gutter when walking with a woman originated in the days when there were no sidewalks, and the man's outside position was essential for the woman's protection. This custom still persists even after the reason for it is gone. In order to place themselves on the outside, many men stumble in attempting to pass gracefully behind a woman with whom they happen to be walking. The lifting of his hat by a man, upon meeting a lady, originated with the raising of visors by armed men who wished to indicate peaceful intent. We still practice the gesture of this custom today, but few know why. It is also customary to remove one's hat upon entering a department-store or an apartment-house elevator in which there are one or more women:

yet it is not customary to bare the head in an elevator of an office building, even though the conveyance be packed with women—perhaps the same women who accepted the courtesy in the department-store or apartment-house lifts.

71. Good Manners Should Begin at Home. Many people have the mistaken idea that good manners are intended only for use in high society, or that they are



Many old customs are unreasonable. A man is expected to remove his hat in a crowded elevator but not in a crowded street-car.

something we put on for special occasions, like a party dress or a Sunday suit of clothes. Good manners are for everyday use and attract the most attention when displayed by the man in overalls. The greatest real need for good manners is in our daily life, and they should be practiced at home. A happy, "Hello, everybody!" when one bounces

out of bed in the morning makes the whole family start the day better. Good manners in the home need not be formal, but they should be sincere.

It is a sad fact that, although we owe the greatest courtesy to members of our own family—who do the most for us—we usually show them the least consideration. Scolding, nagging, or quarreling ruins many homes. Nothing is more aggravating than to have someone interrupt a conversation to correct some trivial error of fact. Such errors make little difference, anyway, but the interruption breaks the thread of thought. Shouting from room to room is a fine way to disturb the members of the household. Respect for the privacy of each member of the family is shown by knocking on the door of his room

before entering. Nothing spoils a meal for some people more quickly than to hear at the table a discussion of dislikes for certain foods, proper and improper diets, digestive troubles, or household expenses. Fault finding and criticism at the breakfast table can ruin the day for all the members of the family. It is also bad form to discuss family affairs before outsiders.

72. Good Manners Must Be Habits. Young people sometimes have the idea that they can have two sets of manners, one for home use and the other for use when visiting. This is almost impossible. If we have our belongings all over the place at home, we shall probably have them that way when we go visiting. Even in a hotel room where service is paid for, the well-mannered man doesn't leave his room all littered, for he has formed the habit of being orderly. Real aristocrats never show off by ordering servants around just because they can. It is the person unused to servants who likes to make unnecessary use of them. When friends call in the evening, one of the greatest breaches of etiquette is to turn on the radio, thereby spoiling all chance of conversation. Nearly everyone now has a radio at home and frequently goes calling in the hope of escaping it. Another favorite way of spoiling a visit is to allow children or pets to dominate the home. Permitting the baby, with its hands covered with butter and jelly, to smear a visitor's clothes, or allowing a dog to jump up on a visitor's lap is the height of impropriety.

73. Table Manners. The first persons served at a home dinner are the hostess and the guest of honor, after which the women are served in the order in which they are seated. The men are served last. The napkin should be unfolded once and laid across the lap, never tucked in at the neck. If you are staying a few days in a home, refold the napkin in its original folds, but if for one meal only, partially fold it and leave it beside your plate. Hold your

knife in your right hand and your fork in the left, shifting the fork to the right hand as you lay down the knife. Leave your knife and fork on your plate when you pass it for a second helping. Never rest the tip of your knife and fork on the edge of the plate with the handles on the tablecloth.

When you have finished eating, put your knife and fork close together in the center of the plate, handles resting on the edge. After a fruit course, a finger bowl is provided in order to rinse the fingers. In turn, dip the finger tips of each hand into the water and dry them on your napkin. With your wet finger tips you may quietly touch the lips and wipe them on the napkin. It is well to take a little of everything that is passed, since failing to do so often excites notice. At the end of each course, the host and hostess must at least pretend to be eating until all of the guests have finished. In using the silver near your plate, begin with the outside fork and spoon, and as the courses proceed, use the pieces in their order.

74. How Certain Foods Are Eaten. Meat, lobsters, clams, oysters—all kinds of fish—are eaten with a fork as are also vegetables, salads, many ices and frozen desserts. Salad or lettuce should never be cut with a knife. Dessert spoons are used for puddings and for cereal served with cream. Teaspoons are for tea, cocoa, and coffee, and they should be used only to stir the liquid. A well-mannered person never leaves his spoon in his cup. A sharp-pointed spoon is usually provided for eating grapefruit and oranges. Celery, radishes, olives, salted nuts, raw fruits, and corn on the cob are eaten with the fingers, but corn on the cob is never served with formal dinners. Cake is broken, or eaten piece by piece with the fingers, unless it is cake with a soft filling, in which case it is eaten with a fork. Cheese is usually eaten with a fork. Artichokes are eaten leaf by leaf with the fingers, dipping the fleshy part of the leaf in sauce or melted but-

ter. Fresh peaches, apples, and pears are quartered, cut in mouthfuls, and transferred with the fingers to the mouth. Fresh plums and grapes are eaten one by one and the pits transferred with the fingers from the mouth to the plate. Oranges are cut into quarters, peeled, and cut into pieces convenient to eat. Chops or pieces of chicken are taken in the fingers only at certain roadside cafes. Asparagus should be cut and eaten with the fork, and not touched by the fingers.

75. Other Points to Remember. A small helping of salt from individual cellars may be placed on the edge of the plate, never on the tablecloth. Distribute salt with the tip of the knife, never with the fingers.

Second helpings of meat or vegetables are allowable, except at the most formal dinner, but guests should never be urged to take them.

If a guest meets with an accident, such as upsetting or breaking something, he should apologize quietly but never make profuse talk over it. The hostess should say courteously that it does not matter.

Anything dropped on the floor should be left there during the meal. Any particle of food dropped on the cloth or clothing should be quietly removed with the corner of the napkin, never scraped off with a knife.

Never push away your plate when you have finished eating, or brush crumbs into a heap. Wait to rise from the table until the hostess rises. You need not push your chair back to the table. Men always stand aside for women to pass. A toothpick is never used in public. Except where one is paying for his meal, one should never leave the table without asking to be excused.

76. Entertaining Friends. People like to go visiting. Especially do people living in cities enjoy escape from the nerve-racking noises and confusion by visits with their country cousins or friends. Country folks get a thrill occasionally out of a visit to their city relatives or friends.

Such visiting is a good plan and would probably be more frequent if better manners were observed by the guests. It must not be assumed that the city person is any better mannered in the country than is the country person in the city. The thoughtful man or woman, when planning a visit, always thinks of the extra labor that a week's stay causes the host and hostess, and is careful not to presume beyond the bounds of real friendship and consideration. On the other hand, there are some folks who seem unable to take a hint that it is time to leave. A hostess may set a definite visiting period in her invitation by mentioning the date of the guest's expected arrival and departure. It is well to give some idea of the entertainment to be offered so that the guest may arrange his wardrobe accordingly. The person entertaining should arrange to have guests assembled who will be congenial.

77. The Ideal Guest. An ideal guest replies promptly to an invitation, arrives at the specified time, and leaves when the time is set. He carefully observes the hours of meals and eats whatever he is served. He does not expect to be entertained every moment, nor does he keep the hostess up too late. The ideal guest is careful not to make extra work and keeps his room and possessions in perfect order. Where servants are employed, the ideal guest never gives orders. It is a pleasing custom to give the servants tips for extra attention. A married couple divide the tipping; the wife tips the maids, the husband the men servants. In the past it has been the custom to write a thank-you letter to one's hostess after having accepted hospitality. Such letters are now usually spoken of as notes of appreciation. They should be sent within three days after the visit, and to neglect this courtesy is extreme rudeness. The note need not be long, but it should be sincere and natural in expression. It is no longer necessary to bring a gift along when visiting, and no good hostess expects to be paid for entertainment.

78. Outside the Home. Standards of proper conduct have been established for the following: traveling (street cars and trains), motoring, restaurants and hotels, conversation, introductions, guests and hostess, store, office, and telephoning. There are generally established modes of conduct for all the activities of everyday life, several of which we shall now consider.

79. Travel Gives Polish. The person who has done a great deal of traveling does not have to announce the fact to the public; it is too obvious. The traveler is as much at ease in a strange place as he is at home; he approaches a stranger and can enter into a conversation with the same gracefulness that he uses in his home town. He does not display shyness or timidity so noticeable in the person who has spent most of his life in one place. The old saying, "A rolling stone gathers no moss," may be true, but it is also true that a rolling stone becomes highly polished. Experienced travelers acquire a certain polish which distinguishes them from the stay-at-homes; however, it must not be assumed that all travelers are polite or considerate of others. When it comes to edging in ahead of the other fellow to get service, the old-time drummer is one of the worst offenders.



The person unaccustomed to travel can be spotted by the labels on his baggage.

80. What the Polished Traveler Never Does. The polished traveler never boasts of his travels or enters into intimate detailed conversation with other travelers. When the service does not please him, he informs the proper officials, and never other people. He never waits until the last minute to rush up to the ticket window and demand attention ahead of others. He manages his affairs

so that he does not have to hurry. When the transaction with the ticket seller is a long one and he has plenty of time, he steps aside to let other passengers, who have less time, get their tickets. The well-mannered traveler knows the amount of space he is rightfully entitled to and does not encroach upon a fellow traveler's space. The rude traveler assumes that the entire Pullman car wash room is for his exclusive use, and proceeds to lay out his belongings over the whole place. The rude traveler stands in aisles and exits and makes it difficult for others to get by. In opening or closing windows, the thoughtful traveler inquires of his seat mate if such a change is agreeable. If a draft affects him, it is permissible to ask that a window be closed, explaining the reason. The experienced traveler never sits down on a seat on which bags and wraps have been placed. He knows that the seat is taken and that the owner will probably return soon. When a car is rapidly filling up, it is bad practice to turn a seat over and fill it with baggage, or to monopolize a whole seat while others have to stand.

81. Other Bad Practices. Putting one's foot on the seat cushions of the seat ahead usually brings a reprimand from the conductor. Taking off one's shoes while traveling indicates that the person is not accustomed to being away from home. When eating lunch in a seat, the rude traveler throws his waste in the aisle; the tidy person wraps up the waste in a paper and disposes of it properly. In a Pullman car the seats face each other. The person using the lower berth is entitled to the seat facing the direction in which the train is moving, while the person using the upper berth is supposed to use the opposite seat and ride backward. A discussion of which seat belongs to which person is never entered into by cultured people.

82. Motoring Rules—Human Nature on Wheels. We should regard as a total social loss a person who would sneak into our seat at the theater while we were waiting

for someone to move over; but when we get behind the wheel of an automobile, we do many things far more inconsiderate. Even the mild-tempered and decent mannered individual is inclined to become a roughneck when he feels great power in his hands. The worst breach of good manners with a motor car is to slip into a parking space ahead of someone else who is a little more cautious in maneuvering for it. Another discourtesy is to drive rapidly through a puddle of water while close to a pedestrian waiting on the sidewalk. Several large damage suits have recently resulted from this lack of propriety. Perhaps the worst pest behind the wheel of a car is the eternal honker. Being too lazy to get out of the car and go to the door, the honker disturbs the whole neighborhood by honking for someone to come out of the house. The honker also has the mistaken idea that other drivers will hurry more and get out of the way if honked at. The truth is that he gets just the opposite result.

83. Rules of the Road. Some states will not allow anyone to drive an automobile until he first has secured a driver's permit. In order to get this permit, it is necessary for the applicant to show that he knows the rules of the road. The first rule is to stay on his own side of the road because no one is entitled to all the road, not even when turning around; neither has anyone the right to block the road to others at any time. The second rule is never to stop in the middle of the road to talk to someone in another car, to change a tire, or to view the scenery. Drivers are expected to pull off the pavement entirely for these purposes. It is unlawful to pass another car on the brow of a hill or on a curve. It is also unlawful to speed up when another car attempts to pass. In some states highway signs warn the drivers not to pick up hitch-hikers; it is not only a dangerous practice but often interferes with the authorities in catching an escaping criminal. If invited by friends to take a ride, it is bad manners to offer

to pay any expenses; however, on a long tour a good sport is never a sponger. There are various ways in which he can do his part. For complete set of rules, see Appendix, page 277.

84. Courtesy Demands Signals. Lack of good manners is common among drivers who suddenly make up their minds to do some unusual thing without warning the drivers behind them. The rules require the driver to give notice of his intention to turn or stop, usually about fifty feet before turning or stopping. Many drivers signal and turn at the same time, which is of no help to others. Another indication of bad manners is for a driver to enter the stream of traffic just ahead of a fast on-coming car, only to turn off a few feet ahead. When meeting a band of sheep blocking the highway, automobile drivers should let the herder clear a path through the sheep. If the motorist will keep very close behind the herder, the car will pass through in a few minutes with no trouble.

85. Dining in a Hotel or Restaurant. A man checks his hat and overcoat at the door of a hotel dining room or restaurant. A woman may leave her coat in the checking room connected with the ladies' dressing room. If she removes her coat at the table, the waiter may help her and arrange it on the back of her chair.

A woman precedes a man into the hotel dining room or restaurant. He speaks to the head waiter about a table and follows his companion to it as she follows the waiter. The head waiter pulls out the lady's chair, and often the regular waiter pulls out the man's chair.

A woman will feel more comfortable in the dining room of a large hotel if she wears a hat to the table. In a small family hotel, women go without hats. If a woman leaves the table during the meal, her escort should rise, both when she leaves and when she returns, and in the latter case must seat her if the waiter is not present to do so. If

anyone stops at the table to speak to either of them, the man should always rise and remain standing. He may ask the visitor to sit down at the table with them.

86. Ordering the Food. A man usually consults a lady's taste in the matter of ordering food. It is a good plan for him to indicate when there is an elaborate menu card, the kind of a meal he has in mind. The man gives both orders to the waiter. The ideal guest does not linger too long over his choice of food. He states his preference to the host or hostess who in turn tells the waiter. When something is needed during the meal—lemon instead of sugar, for example—the guest tells the host, who then gives the order to the waiter. If a napkin or a fork is dropped on the floor, one does not pick it up. Ask the waiter to replace it. When vegetables are served on a side dish, one should not eat from the side dish but should place the contents on his plate. Sometimes when a steak for two is ordered, it is placed on one platter before the host. He may say to the waiter, "Will you serve it?" or he may serve it himself, placing the best portion on the plate in front of him which either he or the waiter passes to the other person, who waits to eat until the server has served himself.

A considerate guest does not order the most expensive dishes on the menu, but he should be tactful enough to avoid the suggestion that he is deliberately saving his host from undue expense.

87. Leaving the Dining Room. When the meal is finished, napkins should be left unfolded on the table. In leaving the dining room, the man in every case attends to the bill. The rule for the tip to the waiter is ten per cent of the bill, but one can use his best judgment about this. If the service is poor, it is better to leave no tip. When leaving the table, the woman precedes the man, waiting while he redeems his hat and overcoat from the check room.

88. Introductions. It is when high school boys and girls go visiting that their knowledge of manners is put to the most crucial test. After attaining high school age, it is practically impossible for any person to avoid formal introductions to others. There are certain circumstances under which one should not introduce people. In general, it is safe to say that introductions should never be made when it is awkward to do so, and they always should be made when it is awkward not to do so. If you are walking with one friend and meet another, the two need not be introduced. If you stop to chat with the newcomer, the friend with whom you have been walking will stroll slowly on and not force an introduction by standing stiffly beside you. In an unexpected meeting, when two women are together and meet a third, a slight touch on the arm will indicate that the woman who knows both wishes her friends to meet. In introducing one person to another, you act as a sponsor for the one you introduce; in other words you imply that he is a decent, presentable person.

89. General Rules. The first rule in introducing people is to make sure that you know their names and can pronounce them correctly. If you are not sure, there is no objection to your asking the name with an apology for your forgetfulness. Pronounce names clearly so that the persons introduced will not have to ask that a name be repeated.

In introducing two men or two married women, the younger is presented to the elder. With two unmarried women the same rule is followed. An unmarried woman is always presented to a married woman unless the difference between their ages is great. In the case of a formal introduction of one man to another, one might say, "Mr. White, may I introduce Mr. Brown?" In an informal introduction, when the two men are nearly the same age, one might say, "Mr. White, Mr. Brown," using a slightly different inflection in pronouncing each name.

It is never correct to present a lady to a gentleman. An exception to this rule is made when a person is presented to the President of the United States, a royal personage, or to a cardinal.

90. Acknowledging Introductions. When men are introduced to each other, they shake hands; when a man is introduced to a lady, he waits to see whether she will offer her hand, and if she does not, he simply bows in acknowledgment. When the introduction takes place out of doors, he lifts his hat or bows. In any case he must remove a cigarette or cigar from his mouth when being introduced to a woman, and he must always be ready to shake hands if she offers to do so. In acknowledging an introduction to a woman, a man may use any phrase to indicate that he feels honored to meet her. To another man he might say, "I am glad to meet you," or "How do you do?" A lady will say to a man, "How do you do?" If a man is introduced while seated, he must always rise. A woman remains seated when introduced, except when she is a hostess, or when she is being presented to her host, to the guest of honor, or to an especially distinguished person. A younger woman rises, of course, as a courtesy to an older woman. Sometimes no acknowledgment other than a smile and a bow is required from those being introduced. This applies especially to introductions in public places, which often are made to avoid awkwardness. Our personality is likely to be observed the very moment we are introduced. Parrot-like expressions make a poor impression. Such expressions as "Pleased to meet you," "Delighted," "Charmed," and even "Glad to know you," or other worn-out or flowery expressions are very much out-of-date, even though some of them may have been proper in the past. By the simple "How do you do" one may avoid any insincerity. Only the rudest person will say "Hello" at a first meeting.

91. **Calling Cards.** Neither a boy nor a girl should have calling cards before reaching the age of sixteen. Cards should never be engraved without the prefix Mr. or Miss, and sixteen is the recognized age at which these prefixes may be adopted. A young girl uses her personal card mainly to accompany gifts. She does not use it for calls or invitations until after it has been sent out with her mother's card to show that she is formally in society.

92. **Invitations and Letters of Introduction.** Invitations and letters of introduction should be very brief. A woman presents a letter or card of introduction by mail; a man calls in person. When a woman has a letter of introduction to a man, she mails it to him; in return he calls upon her and shows her some courtesy. The person who has been using the letter of introduction should, after a little time, write to thank the giver of it. Engravers have sold the idea to us that we should announce the most ordinary comings and goings in courtly language with suitable, hand-cut printing. As a matter of fact, the engraved invitation is seldom necessary and may be dispensed with for anything short of weddings, balls and formal dances, or formal dinner parties. For informal entertaining on the part of a man, he may extend his invitation by the telephone. If the entertainment is to be a little more formal, he may use the engraved calling card with the nature of the occasion simply written in the corner in longhand. In this case, no reply is indicated. In the case of a small dinner or dance where a reply is expected, all that is necessary in reply is one's own card, with the date for which he has been invited written on it, and an added phrase, "With pleasure."

93. **Good Manners in Conversation.** There are few rules to observe when in conversation with our friends or members of the family. It is when we find ourselves in a group at a party, dance, summer resort, or other public gathering, that our lack of manners shows up most. The

one universal rule, "Never try to talk until others have finished," applies everywhere. A group quickly spots the person who wants to steal the show by doing all the talking. Chattering monkeys afford amusement for a short time, but they soon get boring. Various unpleasant subjects, such as money, ailments, and personal affairs, are taboo in social conversation. Long drawn out pointless anecdotes are a bore, and jokes at the expense of someone in the group are to be avoided. It is not necessary to talk at random just to keep the conversation moving. It is a mistake to discuss your hobbies at length—others may not be interested. No one ever makes a hit socially by fault finding. On the other hand, too much Pollyanna talk—forced cheerfulness—doesn't make for a congenial atmosphere. Compliments may be accepted without making any reply. Profuse compliments which do not ring true might better be left unsaid. Young people sometimes have the deplorable habit of attracting attention by giggling, horseplay, or eccentric actions.

94. Some Things to Avoid. A well-mannered person never makes the following mistakes: asking a person her age; telling a person she's looking ill; talking in a loud, harsh voice; prying into personal affairs; pretending to know something about which he is ignorant; expressing a too radical opinion on any subject, especially religion, politics, and hobbies; talking business propaganda in a social group; or failing to say good-bye to each person when leaving.

Lack of good manners has spoiled the "making of a date" for many a young man. A command like, "Meet me at the Palace Gardens at six," instead of, "May I call for you at six and take you to the Palace Gardens?" doesn't interest a bright business office girl who has learned the meaning of politeness.

95. Debating Requires Skill. In debating any topic during a friendly conversation, the well-mannered person

will not try to do all the talking—he gives the other fellow a chance. He neither interrupts his opponent's talk with a counter-argument nor assumes an attitude of supreme authority. One of the most difficult things for some persons to do in debating is to avoid sarcasm and personalities. When they find themselves unable to put up a logical argument, they resort to nasty remarks intended to cut and hurt. Above all, however, is the difficulty of sticking to the subject. It is so easy when we get stuck to switch off to something entirely away from the question being discussed.

96. Behavior in Business. The cash value of good manners makes its first appearance when a young person enters the world of business. The office secretary, the girl at the information desk, or the young man who calls upon his firm's customers or prospects has great influence in forming the general public's impression of a business firm. Employers know that nothing drives away customers more quickly than crudeness and rudeness of employees. The modern office has polished desks, and only polished employees are permitted to sit behind them. The crude-mannered salesperson may get along very well as long as he contacts only crude-mannered customers, but the moment he comes in contact with a polished prospect he is out of his element and consequently ineffective. The following account of an interview between a business man and a young salesman representing a high-class printing concern is interesting:

"I have called, Mr. Hawkins, to see if I can interest you in some high-grade printing."

Mr. Hawkins looked the young man over from head to foot and then replied, "I'm not interested in getting any printing at this time; but I am interested in seeing young men succeed; if you care to listen, I'll take a few minutes of my time to tell you something about yourself which should help you."

"I'd be very glad to hear it," said the young man, having little idea of what was coming.

"All right," replied Hawkins, "sit down. This card of yours is engraved. It's an expensive card, and you represent a company doing high-grade work."

"That's true," the young salesman admitted.

"Did you shave this morning and shine your shoes?" inquired Hawkins. "Is that the same collar you had on yesterday? Why do you keep your hat on your head while sitting in my office, and why did you carry that cigarette in with you? I'm going at you roughshod because I want you to learn something. Tell me frankly, do you think as a salesman you measure up to the quality of this engraved card or the high-grade printing you are trying to sell?"

The young man made the excuse that he was not earning enough to dress as well as he would like.

"Money has nothing to do with your trouble," replied Mr. Hawkins. "Your trouble is due to carelessness. You may think that I'm finding fault with you about little things, but I have learned that it is the little things that count. I'm finishing my job and you're just beginning yours. I can't resist the chance to pass on some of the things that cost me much to learn. If I weren't interested in you and all young men, I wouldn't bother about it. That morning shave is important. That collar and tie are important. That cigarette is important. Don't carry it into a gentleman's office; you may not find a place to throw it when it burns your fingers. Always present your best—not your worst, if you want to get ahead."

"Mr. Hawkins," said the young salesman, "I'm glad I came in here. I had never thought of these things, and no one ever called my attention to them before. I have realized for some time that something was wrong with me, but now I know what it is."

97. Business Etiquette. Loyalty to one's firm should always come first. An employee should not discuss promiscuously the business of the firm or its policies; neither should he criticize them adversely in any way. Needless to say, we should be extra courteous to those who have occasion to transact business with our firm. When receiving a client or customer, remember you are,

for the time being, host or hostess for your firm, and be very careful to pay him every possible courtesy. A man rises when a woman from the outside comes into his office. He offers and places a chair for her and does not seat himself until she is seated. When a visitor rises at the end of the interview, he does the same. He should not receive a visitor coatless, feet on desk, or cigar in mouth. If he is called to the telephone, he excuses himself. Pleasant greetings and the expressions, "If you please," and "Thank you," are always in good taste. It is civil to stand aside and let our superior officer precede, or to rise when he or she comes to one's desk. Women in business must not expect extra courtesy on account of their sex. They should dress modestly and avoid excess make-up while at their duties. It is well to choose one's friends from outside the office in order to enjoy an evening free from "shop" talk. Employees should never permit bill collectors to call upon them personally at their place of business.

Courtesy is the keynote of success with the general public. Every man in business has a certain amount of real work to do in a day, and this must be done satisfactorily if the business is to succeed. He never objects to a business call, for that is all in the day's work; but it is the friendly call that sometimes causes him worry. Because one man has nothing to do, he should never presume to think that his friend is in the same idle situation—ten chances to one, he is not. It is well to remember always that short visits make long friends. When in a business office, and another man comes in to be met with the remark, "I'll see you in a few moments," it is time for the first interviewer to take his departure. If he does, the way has been made easy for another call when it is necessary.

98. Telephone Manners. Next to ill manners behind an automobile wheel, is rudeness before a telephone mouth-

piece. The mere fact that people can't see each other is no excuse for lack of telephone courtesy. Perhaps no other public utility is used and abused so much as the telephone. Many persons who are afraid to say right to a person's face what they want to say will step to a telephone booth where they feel safer, and say it at a distance. Many persons who pay for a several-party line because it is cheaper get the idea that they should have exclusive use of the line at all times. "Get off the line!" and "Line's busy!" are common remarks showing rudeness. Instead of saying "Hold the wire," it is more pleasant to say "Just a moment, please," or something gracious, such as "I'm sorry to trouble you," or "I hope I did not inconvenience you." Many men in business make the worst breach of etiquette by keeping a busy man, present on a business interview, waiting while they answer the telephone and talk at length with some person whose business is much less important. It is a favorite trick of some salesmen, who find several callers ahead of them, to step outside to the nearest telephone and have an immediate interview with the man wanted. This is very unfair to those who wait for a personal interview.

99. Using a Neighbor's Telephone. In these days of restricted service, it is necessary to inquire if there is any expense connected with the occasional use of a neighbor's telephone. If there is a charge for every call, money should be left for the call. Nothing is worse than to run up a bill for long distance calls in the home of a friend and then to forget to pay for them. The constant use of a neighbor's telephone is irritating to him; nothing makes more annoyance than frequent borrowing of the telephone of someone in the neighborhood, or obliging him to run to your door to summon you to the telephone. All telephone calls should be brief. If a decision cannot be arrived at shortly, call again but don't linger indefinitely. Telephone calls made at late hours of the night

are in bad taste, unless of vital importance. Business offices do not want their telephones used for private conversations. It may cause them to lose valuable customers who are trying to get the line. Girls should never allow their men friends to call them at the office where they work. Even if the boss isn't around, the other employees are not interested in hearing flippant gossip. There should be no offense if one begs to be excused from talking at the moment. The person at the other end of the line has no way of knowing what the circumstances may be. In telephone etiquette, the young lady ends the conversation.

100. **Social Value of Good Manners.** What is good for an individual is usually good for a group of individuals. Good manners may be looked upon as a lubricant—something to decrease friction. Wherever there is activity, there is bound to be friction. Friction is overcome only with some form of lubrication. Well-oiled machinery rarely gives trouble. Good manners furnish society with the necessary oil for overcoming friction to a large extent. The more we can encourage courtesy the fewer laws we shall need; hence the fewer dollars we shall be called upon to pay in the form of taxes.

Questions on the Text

Sec. 65. What do we mean when we say that a person is a diamond in the rough? Why should we have polish or good manners? What does the word, etiquette, mean? Do rules of proper conduct change from time to time? How can we keep up-to-date in our rules of proper conduct? Are good manners a sign of a good character? Are poor manners a sign of a poor character?

Sec. 66. Why is it that lazy people often have poor manners? In what way does hurry make bad manners?

Sec. 67. Can clumsiness be cured? Why is it that one can be awkward and not know it? What is one cause of awkwardness?

Sec. 68. Describe the proper way to cross one's legs when sitting. Describe the proper position of the legs and feet when standing. Describe the proper way to sit down.

Sec. 69. Describe the proper way to arise from a sitting position on a low chair or the floor. Describe how to pick up anything from a standing position. What position should one maintain in walking up and down stairs? What should we do with our hands when in public? What is a good way to practice poise or gracefulness?

Sec. 70. How did the custom arise of a man's walking next to the street when walking on a sidewalk with a woman? Is it still the custom? Tell about the custom of a man's raising his hat when meeting a woman, and of keeping it off when in her presence. What are the customs in regard to a man's removing his hat in an elevator?

Sec. 71. Where is the greatest need for good manners, and where should they begin? Describe the sort of bad manners sometimes found in homes. Tell of some acts of courtesy that should be observed in the home.

Sec. 72. What about trying to have two sets of manners, one for home use and one for visiting? How does a well-bred person care for a hotel room? How does he treat servants? Name some breaches of etiquette that sometimes occur when friends call.

Sec. 73. In what order should people be served at a dinner? What should be done with the napkin? How should the knife and fork be managed? Describe the use of the finger bowl. Describe the use of the fork and other silver.

Sec. 74. What foods may be eaten with the fingers? How should the following foods be eaten: cake; artichokes; fresh peaches, apples, pears, plums, grapes, and oranges; chops or chicken; and asparagus?

Sec. 75. How should salt be handled if it is not in shakers? What is the rule for second helpings? How are such accidents treated as dropping silver on the floor, or food on the tablecloth or clothing? What is the proper procedure after the meal is finished? May toothpicks be used in public?

Sec. 76. In making a visit to the country, of what should the thoughtful person think? In inviting guests, how may a hostess indicate the length of time she wishes the guests to stay? How may the guests know what kind of clothes to bring?

Sec. 77. Describe how an ideal guest should act. How is the tipping of servants handled? What should be done about "thank-you" letters? Is it necessary to bring presents when visiting?

Sec. 78. For what activities have proper standards of conduct been established?

Sec. 79. How can one tell whether or not a person has traveled a great deal? Are experienced travelers generally polite and considerate of others?

Sec. 80. What are some of the things that an experienced, well-mannered traveler never does? What are some of the things that a rude traveler does?

Sec. 81. In traveling, is it proper for a passenger to put his feet on the seat cushions? In a Pullman car, which passenger is entitled to the seat facing the direction in which the train is moving?

Sec. 82. What three breaches of good manners do automobile drivers often commit?

Sec. 83. Explain the first and second rules of the road in automobile driving. When is it unlawful to pass another auto-

mobile? Is it unlawful to speed up when another driver wishes to pass? Why shouldn't one pick up a hitch-hiker?

Sec. 84. In driving an automobile, what do good manners require in regard to signaling? What should one do when meeting a band of sheep blocking the highway?

Sec. 85. Upon entering a restaurant or hotel, what is done with coats and hats? When a man and a woman enter a hotel dining room, how should they proceed to a table? Do women wear hats in hotel dining rooms? What should the man do if the woman leaves the dining room table during the meal? if someone stops at the table to speak to one of them?

Sec. 86. When a man and a woman are eating together in a public dining room, how should the ordering be done? If a guest wishes something not on the table, what should he do? What is the proper thing to do in case something is dropped on the floor? If more than one portion is brought in on the same platter, how should it be served? What should a guest do about ordering expensive dishes?

Sec. 87. What procedure should be followed when a man and a woman leave a public dining room? What is the usual custom in this country about tipping?

Sec. 88. When should introductions not be made? If you are walking with a friend and meet another, what is the proper procedure about introducing one to the other? What responsibility do you take when you introduce one person to another?

Sec. 89. In introducing one person to another, what is the first rule to follow? Which person is presented to the other? In introducing one man to another, what should one say?

Sec. 90. When two men are introduced, what should they do and say? If a man is introduced to a woman while indoors, what should he do and say? If seated, what should he do? If introduced out of doors, what should he do? If smoking, what should he do? If a woman is introduced while seated, when may she remain seated, and when should she rise? What expressions should be avoided in acknowledging an introduction?

Sec. 91. When is it proper for a boy or girl to use calling cards? How do they use them?

Sec. 92. Explain how letters of introduction are presented. When are engraved invitations used? For informal entertaining, what kind of invitations may be used?

Sec. 93. What is the most important rule to observe in conversation? What subjects should not be discussed in social conversation? What else is it well to avoid in conversation?

Sec. 94. What are some of the mistakes well-mannered people should avoid?

Sec. 95. What are some of the things one should avoid in debating some topic during a friendly conversation?

Sec. 96. Tell the story of the young man and Mr. Hawkins.

Sec. 97. If you are working for another, what is your duty as far as loyalty and courtesy are concerned? What courtesy should a man show a woman when she comes into his office? Why is it well not to choose one's friends from the office force? Explain why in business "short visits make long friends."

Sec. 98. What are some discourtesies shown over the telephone? What are some suggestions for more courteous behavior over the telephone?

Sec. 99. Why shouldn't we use a neighbor's telephone? If we do use it, what rules should we observe? What rules should we observe about length of calls and night calls? What rules should we observe in the use of business telephones?

Sec. 100. In what way may good manners be compared to lubricating oil?

For Class Discussion

Sec. 65. What are the marks of a refined person? With whom do you enjoy associating the more, a person with good manners or one with bad or crude manners? Why?

Sec. 66. Why does it take time and energy to acquire good manners?

Sec. 67. Who is the most graceful person in your class? Let him or her walk across the room, sit down, stand up, and pick an article up from the floor. What seems to lend grace to the movements?

Sec. 68. Let one or more members of the class demonstrate, according to rules given in this paragraph, the correct way to cross his legs and the correct way to sit down.

Sec. 69. Follow the same procedure as in the above paragraph, demonstrating how to arise from a low chair or the floor; then walk across the floor with a book on the head and one on each outstretched hand, and then without any books. Does this practice help to develop good poise?

Sec. 70. Do you think the two old customs described in this section should be continued or discontinued? Why? Why do you think it is customary for men to remove their hats in department-store and apartment-house elevators but not in office-building elevators?

Sec. 71. Why are some people discourteous at home? What are some of the most common instances of poor manners practiced in homes? If we always practice good manners at home, including good table manners, and are polite to our school-mates, shall we be likely to have poor manners in our social contacts?

Sec. 72. What is the danger of trying to have two sets of manners, one for home and school, and one for company? Why is it discourteous to turn on the radio when you have company, unless they come for the purpose of hearing it or request it?

Sec. 73-75. If you have a demonstration or company dining room in your school, arrange to have served a real or imaginary meal following the rules given in these paragraphs. If you have no such room, some member of the class should read the paragraphs aloud, sentence by sentence, giving an opportunity to discuss any statement upon which a question may arise.

Sec. 76-77. Think of some visit that people have made to your home. What favorable or unfavorable observations can you make about it in the light of what is contained in these sections? Can you add any suggestions to those already given for the "Ideal Guest"?

Sec. 79. Why does a person who has traveled a great deal have poise and ease of manner? If you know any such person, describe how he acts.

Sec. 80-81. Do you think that most of the bad manners of travelers are due to ignorance or the desire to get the best of the other fellow? What bad manners have you observed in travelers?

Sec. 82-84. Why do you think so many otherwise polite people become impolite while driving an automobile? Why does this discourtesy on the part of automobile drivers cause many accidents? What other important rules can you mention in addition to those given in these paragraphs?

Sec. 85-87. Imagine a young man and a young woman going to a restaurant to dine. Discuss what they should do from the time they enter until they leave. What should the young man do if he discovers he hasn't enough money to pay for the meal? What should the young lady do if the young man begins to partake freely of intoxicating liquors?

Sec. 88-91. Conduct before the class a series of introductions between: two boys, a boy and a girl, two girls, a boy and the teacher, and a girl and the teacher. Bring out each situation mentioned in the text and any others that occur to you.

Sec. 92. Write on the blackboard a short letter of introduction introducing some member of the class to Mr. Richard Roe of San Francisco. Write the class member's thank-you letter for the courtesy. Put a copy of Mr. John Doe's calling card on the board and announce a dinner dance in the lower left-hand corner for a date of your choosing. Write Samuel Brown's reply on his calling card. Write any other invitation you may have in mind.

Sec. 93. What are good topics for conversation during a meal with members of your family? What subjects should be avoided at parties or other public gatherings? What should be talked about? Why shouldn't we talk about ourselves? Why do people appreciate good listeners?

Sec. 94-95. Why should one avoid the things mentioned in these two sections?

Sec. 96. What other things do you think a young man should look out for besides those mentioned by Mr. Hawkins?

Sec. 97. Name what you consider the most important points

that make up good business etiquette. Is business etiquette different from good manners in other relations?

Sec. 98-99. Name the points that should be observed in good telephone manners, both for business and private telephones.

Sec. 100. In what ways do good manners of the individual benefit society as a whole?

Thought Questions and Problems

Sec. 65-66. Tell your idea of a refined person. What is the difference between politeness and courtesy? What sort of program should a young person follow in order to become a refined, well-mannered man or woman?

Sec. 67-70. After reading these paragraphs, outline a program by which a person should be able to acquire more grace in sitting, rising, and walking.

Sec. 71-72. Someone has said that if a person will keep the corners of his mouth turned up and practice the golden rule, he will not need many rules of etiquette. What do you think about this?

Sec. 73-75. Give the reason for each of the rules in these sections. Do you think any of the rules should be changed? Can you add any?

Sec. 76-77. Add any other points to those given in these sections.

Sec. 82-87. Study the class discussion questions for these paragraphs so that you will be able to aid in the class discussion.

Sec. 92. Write the letters and invitations mentioned in the class discussion questions, and take them to class with you.

Sec. 93-95. Think of some person of your own sex with whom you like to hold conversation. Why do you enjoy it? What advice can you give a timid person that would help him to become a good conversationalist?

Sec. 96-97. Answer in writing the questions asked in the class discussion sections and take your answers to class with you.

Word Study for Chapter V**SECTION**

101. **Acme**—highest point; summit; top; apex; climax.
Confused—mistaken for something else; confounded.
Engaging—attractive; winning; charming; pleasing.
Physique—the physical or bodily structure; constitution; bodily appearance.
Mannerisms—ways in which one person differs from another; peculiarities; characteristics; affectations.
102. **Unique**—being without a like or an equal; rare; exceptional; peculiar; unmatched.
103. **Endowments**—talents; gifts; powers; faculties.
Intangible—something that can't be seen or touched; artistic ability is intangible; so is the right to use a trade-mark or pass over another's land.
Maladjustments—bad adjustments; poor arrangements; things or parts out of order.
Vitality—force; much life or endurance; "pep."
104. **Casually**—by chance; accidentally; not planned.
105. **Requisite**—that which is necessary, essential, or needful.
106. **Immaculate**—spotless; unsoiled; clean; faultless.
Distortion—out of regular or natural shape; deformed.
Grimace (*grī-mās'*)—a distortion of the face; a wry or made-up face.
Leer—a look of the eye conveying a sly, wicked, or immodest suggestion.
Agitated—disturbed; troubled; excited; hurried.
107. **Antagonistic**—creates opposition, hostility, enmity, and dislike.
Routine—regular practice, custom, or procedure.
Fundamentals—principles; rules; foundation; groundwork.
108. **Emitted**—given out; thrown out; expelled; ejected.
Propelled—driven; sent forward; pushed.
Crude—in a natural state; untrained; coarse.
111. **Advocates**—advises; pleads in favor of.

113. **Conspicuous**—very noticeable; prominent; plain.
Repelled—driven back; repulsed; disgusted.
Uncanny—weird; unearthly; eerie.
114. **Insignia**—badges; emblems; medals; distinguishing marks.
Lure—attraction; bait; enticement.
Endows—supplies; furnishes; invests.
116. **Disinclined**—having no wish or desire toward.
Debut (dā-bú)—beginning; first appearance before the public.
117. **Pinnacle**—the highest point; top; a lofty peak; acme.
118. **Maturity**—the state or condition of being full grown; ready for action; ripe.
119. **Secluded**—apart from others; away from society; isolated.
Retreat—a place to which one retires; refuge; asylum.
120. **Perseverance**—the act of sticking to a course of action in spite of discouragement; persistency; tenacity.
122. **Serene**—calm; undisturbed; placid; unruffled.
125. **Pharmacist**—a druggist; one who puts up medical prescriptions.
129. **Gadgets**—fixings; trimmings; arrangements.
Prime—first in rank or importance; chief; the best part.
130. **Asset**—something of value; advantage; property.
131. **Petrified**—turned into stone or stonelike substance; deadened; stupefied; made motionless; benumbed.
133. **Tolerated**—put up with; endured; allowed.
139. **Integrity**—honesty; honor; truthfulness; uprightness.

Pretest for Chapter V

1. Define personality.
2. What is the difference between personality and character?
3. How can a poor personality cause us much trouble?
4. What is the first thing you consider when judging a personality?
5. Why do we sometimes like people until they begin to talk?
6. What is meant by modulation of the voice?
7. Why do some girls or women spend a great deal of money for clothes and still not make a pleasing appearance?
8. Describe what you consider a well-dressed young man.
9. A popular fad with girls is to have conspicuous, highly colored finger nails. Do you believe such a fad will last? Give your reasons.
10. What is the difference between character and reputation?
11. Do you believe it a wise or an unwise policy to stay away from other people in order to avoid acquiring their bad habits?
12. When we let others talk us into doing what we don't want to do, in what are we lacking?
13. Why is a man who flies into a rage easily whipped?
14. What is the most undesirable trait of character?
15. What is the cause of most dishonesty?
16. Why is a hit-and-run driver looked upon with so much contempt?
17. What do you think of a person who fails to keep a promise?
18. Tell a number of ways by which a person reveals his character.
19. What is the finest thing a person can do when he realizes that he has made a bad mistake?
20. How has lack of character been responsible for much suffering during the recent depression?

CHAPTER V

PERSONALITY AND CHARACTER

101. **Personality—What Is It?** Very few definitions of personality tell us what it really is. *Personality may be defined as the sum total of outward traits and appearances in an individual that attract or repel others.* The motion picture colony in Hollywood, finding the need for a short definition, refers to a fascinating personality as “it.” A famous motion picture star, supposed to represent the acme of personality, was first to be credited with having “it.” Personality may or may not have relation to character, but it should not be confused with character or good manners. It is possible for a person to present an attractive personality and at the same time to have a wretched character and almost totally lack good manners or proper conduct. Some of the early pioneers had pretty crude manners, but very engaging personalities. It is customary to speak of a good personality and a bad personality. There are no two personalities alike. Many persons seem quite alike in character and physique, and it is only by the facial expressions, the voice, the disposition, and the little individual mannerisms that we are able to distinguish one from another and to decide whether or not we like a certain person.

102. **Why Personality Study Is Valuable.** The study of personality is extremely valuable to any person, whether in the business, the social, or the political world. The study helps us to correct our own shortcomings and to make our journey of life with others much easier. It also helps us to select our associates and to know those

persons with whom we can deal agreeably in business, as well as those with whom we cannot deal without having unpleasant experiences. Napoleon's presence was said to be worth twenty thousand men, and he is ever a study of increasing interest to people because of the power of his personality. The fame of John Wesley, the founder of Methodism, and of George Whitefield, the well-known preacher, was due largely to their unique personalities. Theodore Roosevelt knew the power of personality. Washington and Lincoln had greater power over men and affairs of their own day than their abilities warranted, because they had strong personalities. During the first twenty years of life every person is more or less plastic; this means that he is easily molded. It is during this period that we form the habits which make up our personality. After twenty years of age, habits become fixed; then people change very slightly, because, when habits once become deep-rooted or cast, it is very difficult to change them. Thus, we can see that if we are going to have an attractive and forceful personality through life, we must make our improvements during the next few years. Like many other things on the journey of life, this is something that you alone can do. No one else can make your personality for you. All that anyone else can do for you is to point out what to observe, and what people in general like and do not like.

103. Strong and Weak Personalities. Although one is judged or misjudged by his personality, it is well to bear in mind that no one should expect to rate high in all qualities. We all have both weak and strong points in our personalities. We should be concerned mainly with our weak qualities and should try to improve them. The strong qualities that we already have, and naturally keep, will take care of themselves, and we can practically forget them. An attractive personality doesn't mean a person without flaws any more than a beautiful precious

stone is necessarily a flawless one. Most emeralds, for example, have flaws, and these flaws give individuality to the gems. A flawless emerald is a rare thing. It is not essential to secure a great amount of education in order to possess an attractive personality. We often see men and women of good character, education, and talent who have very little influence upon people, while others of inferior endowments and training surpass them. The explanation is usually found in the variation in the intangible quality called personality.

“If you are unhappy, can’t find a job, or are divorced—blame your personality.” That, in effect, is the finding of Dr. William S. Casselberry, director of the Psychological Service Center in Los Angeles, based on a study of office patients. His study shows that poor personality is linked with personal and social troubles, such as unhappiness, unemployment, divorce, and other maladjustments. Dr. Casselberry measures personality by rating individuals according to their vitality, appearance, voice, poise, conversation, success in a vocation, and the presence or absence of personal problems with other people.

104. Your Face Comes First. When we first meet any individual, we immediately look at his face. Everyone desires to make a good impression upon those with whom he is associated, even casually. It follows that a good

personality must not only present a good face, but that it also should be an honest expression of what is within. Only professional actors and actresses are supposed to



Without the use of a mirror, it is difficult for a man to know how he appears when talking. Try talking to yourself each day for a few minutes and observe in the mirror your facial expressions as you talk.

assume expressions and emotions which they do not feel. David Belasco, the well-known theatrical producer, said, "To assert that any actor must, or even can, feel, when acting, all that he represents, is clearly nonsensical." It would seem, therefore, that anyone not able to make a good impression because of lack of spirit within, should strive to be a good actor or actress in order to improve personality.

105. Good Looks Require a Foundation. A good-looking face does not necessarily mean a handsome or a pretty face. It is not difficult to find many handsome and pretty faces woefully lacking in personality. One of the best of modern blessings is the fact that mere prettiness has gone out of fashion.

To be good-looking is not a matter of chance, as prettiness largely is. It goes much deeper than the skin. Health, of course, is the first requisite of good looks. No one enjoys looking at a face showing sickness. The first thing to do if one is truly dissatisfied with his or her looks, is to see that the health is improved so that no special thought has to be given to it. Sometimes this means merely obeying the common-sense laws of health that one already knows; sometimes a good doctor is needed to start one on the right track. Correct diet may be the key to good looks, especially when one is too thin or too fat. The skin, the teeth, the eyes, the hair, the hands, and the feet all form the foundation for good looks. Different types of skins require somewhat different treatment, and it is important that the right kind be given. Too much faith should not be placed in advertising which assures a perfect skin to everybody who will use a certain cream or face powder. Bad teeth generally go with bad health. The condition of the teeth has much to do with the attractiveness of any face. Lack of health also shows up in dull, lifeless, or tired eyes. Up-and-down wrinkles between the eyes, more often than not, go

with eyestrain. Perhaps glasses are needed for reading or close work, or perhaps one merely needs to correct the bad habit of reading while facing the light or while in bed. Glowing hair, one of woman's greatest charms, is seldom found except on healthy persons. Patent hair tonics have very little value. Frequent shampooing and massaging the scalp can do more for the hair than any medicine.

106. Facial Expression. A person may be healthy and immaculate in personal care, and yet make an unpleasant impression because of ugly facial distortions. What do you carry on your face? Is it a scowl of dissatisfaction, a registered or recorded complaint against conditions, a haughty or an insolent sneer, a grimace of selfish craving, an ugly leer? Or is it calm-eyed happiness, an expression of wholesome cheerfulness, an open look of honest kindness? Whatever it is, it is likely to picture your real self unless you are an exceptionally good actor, and even then you may sometimes forget yourself. Facial expressions are most



See yourself as others see you. It is easy when looking at yourself in the mirror to put on an unnatural look which you don't use in public.

likely to become distorted when a person is talking. Many a person has a pleasant face until he begins to talk; then, especially if he becomes agitated, he allows his face to twist into ugly grimaces. Watch any angry person twist his mouth and wrinkle his nose. This is the monkey instinct in him. We can observe the same facial distortions in any wild animal at the zoo. Since we are unable to see our faces without the use of a mirror, it is not a

bad idea to sit down occasionally in front of the mirror and talk to some imaginary person. Especially is this a good thing to do just before we start to tell someone what we think of him.

107. Voice Personality. Next to facial expression, the voice is perhaps the most important thing that affects people favorably or unfavorably. The rapid growth of the telephone, the radio, and the talking pictures has trained the ear to be severely critical of the human voice. In order to learn the art of attractive speaking, many motion picture stars, masters of good manners and physical appearance, were forced to retire from the screen for weeks or months when talking pictures first came into general use. The highest-paid radio announcers are those who have trained their voices to be pleasing. The advertiser over the radio spends a large sum of money for a few minutes which, in many cases, is a total loss, not because the article he advertises lacks merit, but because his voice actually irritates people and makes them antagonistic to his product. When we answer the telephone, the tone of the voice at the other end unconsciously decides for us how soon we shall hang up the receiver. We can pick up what is commonly called expert voice in less time than is required for mastering other arts, because we have boundless opportunities for practice in the daily routine of life. All that stands in our way is natural carelessness in talking, coupled with lack of knowledge of the fundamentals essential to the pleasing voice.

108. Improving the Voice. Voices generally are flat, tense, or emotional. Nine out of ten people use the flat voice ninety per cent of the time. It is the easiest tone emitted, because every time we swallow (and that is hundreds of times a day) we train the throat to flatness. We use the same kind of throat when we speak carelessly. The tense voice is appreciated because it is propelled with some force, which suggests a purpose and a definite

meaning. In cultivating a tense voice, it is necessary to use more energy when sounding consonants. A favorite practice word is "determined." Note the vocal halts in this word: the "d" at the beginning, the "t" and "m" in the middle, and the "nd" at the finish. Practice speaking this word one hundred times, giving a strong accent to these consonants. Then try "I am determined," and you will begin to realize results at once. Voices that are crude, harsh, or flat tend to repel people.

109. Voice Modulation Is Important. Modulation means variation of pitch. Pitch has no relation to loudness or force: you can pitch your voice high or low, but not loud or soft. A high-pitched voice always carries weakness with it, and there are times when a low-pitched voice fails to register. Nature gave us all a two-octave speaking range, yet most of us use only a small part of one octave, and a great many of us, only one note. One cannot hammer one piano key and expect the audience to like it. There are about nine degrees of pitch ranging from the extremely low, or profound, up to the extremely high, or very excited.

110. Woman's Dress Reveals Personality. The third thing we are most likely to notice when contacting strangers is the dress. To be well dressed does not mean to have expensive clothes. Give one woman twenty dollars to go shopping, and she will come back looking like a million dollars, so to speak. Give another woman five hundred dollars, and she will come back looking like a gypsy. The first woman studies what looks best on her and how to get the best effect with the least expense. The other woman perhaps lets some twenty-dollar-a-week clerk, who is anxious to make a sale, dictate to her what she ought to wear. The first and most important thing then is to learn that we cannot all wear the same kind of clothes and get the same effect. The girl who exclaims, "Oh, how wonderful you look in that dress (or hat); I'm

going to get that same outfit for myself!" hasn't learned yet the first lesson of proper dress (or good manners). The dress that is becoming to the tall slender girl may not be at all appropriate for the short, and perhaps stout,



A woman's face may be her fortune if she thinks of it as an outward expression of her personality, and dresses to suit.

girl; the hat which looks well on the broad-faced girl will appear entirely different on a girl with a narrow face.

111. Dress Should Fit Personality. If you have no money and little credit, perhaps you can capitalize your personality. "A woman's face may be her fortune if she

thinks of it as an outward expression of her personality, and dresses to suit," declares Miss Belle Northrup, Professor of Fine Arts at Columbia University. Miss Northrup advocates dressing to suit the face rather than the figure, as many women do. "If your facial expression reveals delicacy, gentleness, and softness, you should wear soft, ruffy clothes—frills if you wish. If you want to express strength, severity, dignity, and power, it will be necessary to have well-cut, straight-line garments of rich material, but made without frills. Tallness or smallness of stature is not so important in the final effect of good dressing as is facial expression."

112. The Well-Dressed Man. Some men at sixty are attractive in bright sport clothes which would make other men, much younger, look like monkeys. Charles Chaplin can look the part of a millionaire one minute and that of a hobo the next, simply by re-arranging his clothes. A Hollywood screen star gives the following rules for well-dressed men:

1. Avoid run-over heels.
2. Keep hat clean and in shape.
3. Don't let your coat sleeves get diagonal creases.
4. Wear braces (suspenders).
5. Keep finger nails clean.
6. Shave or get shaved.



Flashy clothes may look all right on some men and not on others.

7. Remember that a suit can be old and still look new, provided it is well cleaned and pressed.

113. The Hands and Feet. We seldom realize how much people look at our hands and feet. While we cannot change the physical shape of our hands or feet, we can take good care of them so that they do not show up at their worst. No worse mistake can be made than to make the hands and feet conspicuous. Women may not realize it, but most men are repelled and irritated by highly-colored nails which give the hand an unnatural and uncanny appearance. Good-looking hands and feet depend largely upon correct fitting of gloves and shoes and stockings. No man or woman can be good-looking with run-down heels or scratched shoes. A well-dressed man never wears tan shoes with a dress suit, and a well-dressed girl is never found in colored party slippers with a business dress.

114. The Value of Color in Personality. During the last ten years America has been awakened to the value of color. We find an increasing use of color in automobiles, houses, clothing, magazines, and motion pictures. Why do armies use uniforms, insignia, bugles, drums, flags, spurs? For color, of course. If it were not for color, glitter, and glamour, the lure of the army would be de-

creased. It will be noticed that outstanding personalities are making more use of color. Persons whose work brings them before the public realize the tremendous value of color. By color in personality we do not mean color that is obtained from paint pots, but the halo of light that glows around some persons (and some businesses) endowing them with the ability to be attractive or interesting.

115. The Value of Humor in Personality. When we are unable to locate the cause of our apparent lack of personality, it might be well to investigate our sense of humor. Persons who take themselves or the world too seriously never find a large number of admirers trailing them. The world is full of amusing things, and life presents many humorous and ridiculous situations. The man who can discover these, enlarge upon them, and express them for the amusement of himself and others will soon find that he has acquired one of the greatest factors of attractive personality and also of successful and happy living. This does not mean that we need to engage in the practice of wise-cracking, so common among high school boys; or that we must listen to the silly patter of aspiring comedians heard over the radio. Humor means much more than this. When we can learn to laugh at the many stupid things being done every day instead of working ourselves into a nervous frenzy about them, we find life much more agreeable and people more interested in us.

116. What You Can Do to Improve Your Personality. A person really anxious to improve himself watches how other people react to his talk and actions. When people seem disinclined to listen long to another's talk, it should indicate to him that he is not saying the right thing, or that he is saying it in the wrong way. It may be that he is talking too much about his own affairs, and is not interested enough in the other fellow's affairs. When our actions do not seem to meet with immediate approval, an

analysis of our acts may show us that they were crude or out of place. The person who talks almost incessantly and never gives others a chance to get in a word, or who appears not to be listening when others do venture to speak, is never an interesting individual. Naturally everyone tries to avoid such a person. It is only by constant watchfulness and continual self-correction that we can succeed in making ourselves interesting. Standing in front of a full-length mirror and talking to an imaginary person is one of the best things we can do to discover in ourselves that which needs correction. It is said that Miss Janice Jarratt, who furnishes the inspiration for hundreds of advertisements and posters, is the highest salaried photographers' model in the nation. Miss Jarratt, who recently went to Hollywood to make her debut, has a trained and practiced smile. As a child she played house in front of mirrors and thus trained herself into complete freedom from self-consciousness before a camera. She has become known as the most photographed girl of her time and has recently signed a movie contract.

Character

117. Character the Keystone of Life. Of the necessary equipment which we are assembling for our life-journey, we now have reached the pinnacle—character. After all is said and done, our fate is supported entirely by the type of character we possess or develop. Character is the keystone of life. If you have it, you don't need to have much of anything else.

118. What Is Meant by Character? Perhaps no other word in the English language is used more and understood less than the term, character. Many confuse character with personality, but there is little, if any, relationship between the two words. Character means the stuff of which anything is made, while personality means the

outward appearance. The character of an automobile is in the quality of its interior. The personality of any automobile is in its exterior, that which we can see. Part of a person's character is born with him, and the other part is built during his growing years. As we learned in the section on *personality*, after the period of youth, usually ending about the age of twenty, the individual reaches his height in personality and character building as well as his height in stature. It is therefore extremely important for young people to give attention to character building before the age of maturity. After that, as with personality, if character is to be improved, the individual



We can learn from others what is needed for character, but the actual carving we must do ourselves.

must do it himself. No one else can do it for him. We can learn from others what is necessary, but we must do the actual building alone. A man may be prevented by force from indulging in a bad habit, but this does not destroy the habit. As soon as the force is released, it has

been proved that more often than not the habit recurs or continues as before. Reputation is another word often confused with character. Reputation is the opinion others hold of a person. Such opinion may be well-founded, or it may be entirely wrong. A reputation may be injured by others, but the only way by which a character can be injured is by the individual himself.

119. Character Building Requires Human Contacts. There are parents who believe that their children will have a good character if placed in a home or school far removed from the stream of life. Perhaps a secluded retreat in the mountains or an out-of-the-way place in the desert is selected because there will be no influences

which might lead to temptations. No one ever developed character by running away from obstacles. Taking all obstacles out of the room makes it extremely difficult for a baby to learn to walk.

When we run away from evil influences, we are running away from good influences at the same time. We can't get all of our character training from being around only one or a half-dozen persons. It requires a variety of experiences with all types of people to develop character. Goethe gives us the truth: "A talent is developed in quiet; character in the stream of the world."

120. Qualities That Make For Character. There are many qualities that make up a great character, some of which an average person might not have or might not be able to acquire. It is possible for everyone, however, to have a good character without having what is termed a great character. Perhaps the best trait of character that everyone may acquire is to do the very best he can at all times, regardless of the handicap under which he may have to labor. This is all that we should expect of anyone. Most of the following qualities are considered necessary, and all of them are important to good character: courage, honesty, reliability, perseverance, industry, accuracy, self-control, enthusiasm, open-mindedness, and coöperation. Other qualities, such as leadership, judgment, and thinking ability may be necessary for great success but not necessary for a good character. A study of character qualities not only helps us to improve ourselves, but it also helps us to understand others and to get along with them agreeably; for example, when someone loses his self-control and flies into a rage, we can be more charitable when we understand that his inherited jungle instincts may be unimproved in this one quality only.

121. Courage, First Quality. Ask the average man which one quality should be cultivated most, and he

probably will say that it is honesty. If, however, we think the matter through, we can see that courage is more necessary than all other qualities. It requires courage to be honest. Weakness and fear are behind all dishonesty. We are born timid—wanting safety, dreading danger, shrinking from everything that represents a possible risk: throughout life, if we are not fearful of starving to death, we are in fear of being criticized; we are afraid of what other people may think or say of us; we are afraid to be good because weaker persons may call us “goody-goody,” and we are afraid to be bad because some stronger person will try to put us in jail. We are afraid to look facts in the face. It requires more courage to live than to die. Bravery has been the outstanding quality of character in man since time began. A smart person never lets anyone run his life for him. When we allow someone to urge us to take a drink or to smoke against our will, we are not living our own life nor have we learned the meaning of courage.

122. Self-Control Attracts Attention. No other trait of good character catches the eye more quickly than the ability to remain cool and collected under trying circumstances. It is dangerous to be around the easily excited person. Not that he has the courage to do any harm willfully, but, when he loses his head, he may accidentally cause serious trouble. Lack of self-control usually follows outbursts of anger. When a man loses control of himself, he may often be whipped by a mere child. The man to avoid getting into a fight with is the man who is serene and realizes exactly what he is doing at all times.

123. Industry Makes Character. In judging the character of any person, the easiest trait to detect is his attitude toward work. Some persons seem to be born lazy, and others allow themselves to become lazy. Perhaps there is no other weakness in character that can be acquired so easily as laziness. Lazy persons are never

attractive, not even to others who are lazy. No one cares so much what a person may be doing, if it is honorable employment, just so long as he is doing something. Activity means life. The active young man who marries a lazy girl soon finds that instead of having a life-saver around his neck, he has a millstone. The active girl who marries a lazy man soon discovers that she has to earn not only her own living but his also. The happy person is the one who is always busy—busy with something useful or worthy.

124. Pettiness and Jealousy Are Weaknesses. Another type of person, common to all sections of the country, is the individual who always has a hammer out for the successful one, the beautiful one, or the clever one. This type of humanity displays no particular mark by which it may be recognized; hence it is difficult to detect upon first sight. Jealousy is found in every walk of life and is perhaps more prevalent among the rich or educated than among the poor or ignorant. Many of the country's greatest criminals have no other reason for their acts than their self-conceit and jealousy of others who attract attention. Jealousy is especially strong among professional people, artists, musicians, and professors, and this fact must be reckoned with when dealing with talented people. One of the inherent weaknesses in human nature is jealousy of those who are successful or who get unusual attention or recognition. To the student of human nature, the jealous person reveals his weakness quickly through actions as well as words. It is unfortunate when a person has to resort to pulling another down in order that he himself may climb. The motive for most of the dirty work in the world is jealousy and greed.

125. Accuracy Is Found in Good Character. The mark of accuracy is usually found in a strong character. Even among the most uneducated of common laborers, the man with character stands out among the number because he

insists upon being exact in everything that he does. He is never heard to remark, "That's close enough! What difference does it make?" or "I guess that's about right." He is the man who carries a ruler in his pocket and a calculating machine in his head. He is the man who knows exactly how much it costs him each day to live, what he owes at all times, and insists upon paying what he owes and getting every cent that is justly due him. Often people who are inaccurate themselves insist on accuracy in others. Inaccuracy may cause serious disaster. One little inaccuracy on the part of a pharmacist can easily spell death for the strongest person.

126. **Honesty and What It Means.** Honesty means far more than refusing to steal or tell a lie. There are many ways of cheating oneself as well as others. We can be dishonest to ourselves by letting others talk us into doing things that we know we should not do. We are dishonest when we say, "Yes," when we know that we should be saying, "No." Most dishonesty, however, results from greed or selfishness. While greed and selfishness can never be stamped out altogether, the government during the last few years has been making it more difficult for the greedy to fatten on their victims than has been the case at any other time in the history of our country. Not many years ago corruption in public office was taken as a matter of course, and nobody ever took the trouble to investigate it. Positions of importance and influence were shamelessly bought and sold. Grocers sanded their sugar; the butcher weighed his hand with the steak he was selling; dealers in patent medicines sold worthless remedies, guaranteeing them as cures. Young people today have reason to be grateful because they know that they were born into a better age than the one before it, and that their children will be born into a better age than the present one.

127. **Honesty in Business.** Mr. Heinz, famous for his "57" varieties, tells how a young man in his employ tried to gain favor by cheating customers.

"It was in the early days of the business. One morning when the growers were making their deliveries of fruits and vegetables, the new clerk in charge of the scales remarked in a gleeful voice, 'Mr. Heinz, I am getting good weights for you this morning.' When asked what he meant by that remark, the scale clerk explained that he weighed so quickly and so deftly that he was able to record a few pounds underweight with each weighing, without being detected by the grower." He thought it was good business to cheat, and that his employer would be delighted with such an accomplished employee. It is hardly necessary to say that the young man found himself instantly at the cashier's window for his final pay envelope. Both by his employer's emphatic words and by his immediate dismissal, he was taught the lesson, that it is good business not to cheat the man from whom one is buying, but rather to allow the scales to weigh in his favor.

Much of the cheating done in the big stores today is unknown to the owners. There are dishonest clerks, and it is the duty of every customer when finding them to report them to the management. One of the most recent methods of dishonesty was found in a certain chain grocery store where the cashier added the cost of a bottle of pickles or other small article on each customer's bill. If the customer detected it and complained, the cashier at once picked up the bottle of pickles and remarked, "Isn't this yours?"

128. **Dishonesty Kills Business.** It is a debatable question whether more dishonesty is found in big business than in a little business. It must be remembered that it usually takes longer to sink a big ship than a little one. It is the slippery little fellow—the one who resorts to

every variety of sharp practice before he winds up in the bankruptcy court—who gives a black eye to certain lines of business. Such fellows sit up nights devising new ways in which to get the better of their customers, while their honest competitors, with no more working capital, build slowly and surely and often become merchants and manufacturers of more than local importance. Business need not be big to be honest, but it must be honest to grow big and stay big from generation to generation. “Give a cheater enough rope, and he will hang himself,” is a well-known saying. “You can’t go very far in any business worth the name without personally delivering the goods, and the man who must cheat his way up hasn’t the goods; if he did have, he wouldn’t need to cheat.”

129. Reliability a Necessity to Good Character. The experienced buyer of automobiles today pays little attention to the appearance of a car or the gadgets it contains. He knows that he can change these whenever he wants to. The main question he solves first is the reliability of the car. Can it be depended upon at all times to take him where he wants to go and bring him back without fail? The character of the car, and not the personality of it,



Some employees are like mules, good workers but likely to balk at any time without reason.

is of prime importance to the buyer, especially when a man does the buying. It is exactly the same thing when it comes to considering the service of human machines. The one that works all right today and balks tomorrow like a stubborn mule is the one all of us try to avoid. Reliability may be shown in various ways. When a friend

borrowes our umbrella to get home in the rain, he is reliable if he returns it the next day instead of next month or never at all. The automobilist is reliable when, if he

strikes a pedestrian, he stops to render aid instead of scooting away to dodge responsibility. It is the animal nature in man that prompts him to shun difficulties, to take the easiest way around obstacles, to dodge duties, and to play truant from obligations. Even among gamblers can be found the white ones, who square their accounts when they lose, and the yellow ones, who squeal when luck goes against them.

130. The Reliable Person Keeps His Promise. Whenever a person fails to make his word good, his friends and fellow associates begin to discount his promises. They may discount his word ten per cent or fifty or a hundred per cent, and he has lost a distinct asset. The man whose word is good does not promise what he cannot perform; he does not borrow what he cannot repay; he does not go into debt beyond his ability to meet it. If he has to make a sacrifice, he makes a sacrifice of his desires, never of his word or of his promises. A fine way for a person to develop reliability is to borrow a dollar when he does not need it, then see if he can carry it around in his pocket for two or three weeks and pay it back on the day it is due. This will train him to be reliable and will also give him a reputation for reliability. The firm of Dun and Bradstreet, Incorporated, which covers all of the United States, investigates and reports upon the ability of every man engaged in business to pay his debts, and his reliability in meeting his promises. A man does not need to have a great deal of money in order to get a high rating by this firm; he simply needs to have a good record.

131. Open-Mindedness a Good Trait. The person possessing this good trait of character is always open to reason. He wants to hear all sides of any question before forming an opinion. He does not make up his mind in advance and stubbornly stick to his belief regardless of any facts which may be shown to him. The person with a closed mind usually refuses to listen; he doesn't want to

know the truth; he wants only his own way. The happiness in many homes is disrupted because of closed-mindedness on the part of some member of the family. Sometimes our brain cells seem to be set like concrete. To introduce a new thought requires a blasting operation. The next thing to having no convictions at all is having convictions that have petrified. The person who is able to keep a mental reception room, where ideas are received with kind and courteous hospitality, is lucky indeed.

132. Unselfishness a Great Blessing. More than fifty years ago, that great statesman, William E. Gladstone, said: "Selfishness is the greatest curse of the human race." It is not a very flattering thought that the primary occupation of most men's lives consists in devising ways and means to grab what they can before the other fellow gets to it. To be foolishly unselfish and give away everything we have, is not demanded. We are all going through the same adventure, some with fewer obstacles and greater advantages than others, so why not pull together? Selfishness is not a necessity for existence on this planet, and the happiest people, as well as the most prosperous, are the most generous. There are many ways of being generous without handing out money. A few words of sincere sympathy or appreciation may be of greater value to an unfortunate person in trouble than a gift of a thousand dollars. In his conduct no one has the right to interfere with the pleasures and liberties of others, no matter what his personal appetites or habits may be.

133. Self-Pity Never Popular. Some people spend so much time feeling sorry for themselves that they haven't any time left to do anything else. At that, they could be tolerated if they would only keep their misery to themselves. But nothing delights the self-pitier more than to broadcast his woes. Franklin D. Roosevelt could have

felt sorry for himself when stricken with infantile paralysis, could have given up (for he was a rich man) and been waited upon the rest of his life, but he didn't. He conquered his handicap and carried on to lead in the fight against depression before which even the strongest had quailed.

134. Pride and Arrogance. We learned in an earlier chapter the meaning of an inferiority complex. We shall now learn about the opposite, a superiority complex. There is a type of person who has an unconscious feeling that he surpasses another in rank, station, ability, or merit, while in fact he does not. This type of person has the habit of making undue claims in an overbearing manner, which makes him a more disagreeable associate, perhaps, than the person with an inferiority complex. When we try to exhibit a feeling of being better than others, we naturally hold our body and head erect in order to make ourselves appear as large as possible. That is exactly what a peacock or a turkey gobbler does, strutting with puffed-up feathers. When we try to make the other fellow feel small, we lower the eyelids and exhibit slight movements about the nostrils and lips in our effort to look down on him.



Snobbishness is seldom noticed in people who really are superior.

135. Bluffing or Lying. Young people frequently have the idea that they are quite clever in fooling their parents or their teachers. Putting over a few wise tricks without apparent discovery leads one to believe that he is unusually cunning and that others are unusually stupid. The facts are, in almost every case, that our motives are revealed by acts of which we are unconscious, and we really fool nobody. The fact that no one calls a bluff or

questions a lie does not mean that we are getting away with something. Professional card sharks, the greatest experts in reading human nature, are able to detect, in perhaps nine cases out of ten, when a man is bluffing. They pay little attention to the face, because some persons can control their facial expressions, but they do watch the hands because they have learned that a bluffer or a person who is lying has a hard time to control his hands, and a slight jerk of the thumbs is invariably noticeable to a trained eye. Bluffing and cowardice usually go hand in hand.

136. How We Reveal Our Characters. Every hour of the day each of us is unconsciously revealing his character in many ways. Our walk, our talk, and our facial expressions betray us. Even when we do not walk or talk, we may reveal our character. Emotions of people are revealed in their faces, their motions, attitudes, gestures, and in the entire body. When a man sneers, he is likely to raise his lip at one side of his mouth, uncovering one of his canine teeth. He doesn't know it, but when he shows contempt or hatred in a sneer, he is said to be imitating his distant cousins, the wolf and the dog. Slyness is exhibited chiefly by movements about the eyes. When the eyes are turned to one side while the face is not turned to the same side, we get the natural appearance of slyness. Turn your eyes far to one side, without turning the head, and you will actually feel sly. Contempt is commonly expressed by movements about the nose or around the mouth. When a person displays contempt, disgust, or haughtiness, he turns up his nose, as is natural with animals when anything offensive is around. Fear is expressed by shrugging the shoulders and by movements of the arms and hands. You will notice that when people shrug their shoulders, they often open their mouths. That opening of the mouth is partly an indication of fear that goes with helplessness. All over the

world people show fear by opening the mouth, and then putting the hand over the mouth. The instinct is to stop all noise of breathing and so prevent detection.

137. How We Can Improve Our Character. It is human to err. Youth is bound to make mistakes. Probably no boy or girl ever lived who has not had cause to regret some misdeed. It is when we admit to ourselves and to others the mistakes we make that real character is formed. No feeling that we can experience gives us as much satisfaction as to admit to our inner self that we have pulled a "boner." And nothing brings quicker respect for us from others than to raise the head and frankly confess a blunder. It is hardly human for anyone to censure or criticize the person who willingly admits a mistake in an honorable manner. Of course, a man in a sullen mood who gives a weak excuse is not going to be respected any more than is the dog that sneaks away with his tail between his legs. A man is strong in proportion to his ability not only to resist temptation toward unworthy things, but also to desire worthiness. Our character is really nothing but a composite of our impulses, our ambitions, and our tendencies in the direction of right or wrong.

138. Open Confession Helps Build Character. Here is the story of Jimmy, a sixteen-year-old youth from St. Louis, who actually broke into jail in order to square himself with the world. He had to hitch-hike 2000 miles to do it, but Jimmy was repentant, and was not going to be balked by a few miles. Last spring he burglarized three homes in Hollywood, getting about \$100. He took the money and went back to his old home in St. Louis. He tried to get a job, but no one would hire him. Later, at the Hollywood Detective Bureau, after he had surrendered, Jimmy told how that started him to thinking. "I figured that people could look at me and tell I was a crook," he said. "I wasn't scared, but I knew that it

must show on me some way, because people would look me over and say, 'No, I don't want you.' So I knew I had to square myself. I never committed any other crime. I never will. I want to get this squared up and start over again." The character displayed in this boy's frank confession appealed to several men who promptly offered him good paying jobs.

139. Social Value of Character Development. The lack of proper character training in youth is without doubt responsible for much of the suffering caused during the recent depression. The graft uncovered in many public offices and the embezzlement by trusted officials in high offices, of millions of dollars belonging to honest, hard-working citizens, have not only brought misery and suffering to thousands of people, but at the same time have also undermined or destroyed many people's confidence in all humanity.

To overcome this present state of lack of confidence, it will be necessary for society to establish a higher code of ethics and a higher standard of character for those who handle our funds in the future. Each individual must not only develop his own character, but he must also demand more integrity from those whom he helps into public office.

Questions on the Text

Sec. 101. Define personality. Explain the differences between personality, character, and good manners. Why are no two personalities exactly alike?

Sec. 102. Why is the study of personality valuable? Give some examples of famous personalities. Why are our habits and personalities pretty well formed by the time we are twenty years of age? Who is responsible for forming your personality?

Sec. 103. Are there any perfect personalities? Why should we pay a great deal of attention to our weak qualities? In order to have influence, what quality must a person have? According to Dr. Casselberry, what is the cause of much unhappiness?

Sec. 104. In order to have a good personality, what should one's face express? Is a handsome or pretty face necessary for a good personality? Give the reasons for your answer.

Sec. 105. What is the first requisite of good looks? What bearing do the following have upon good health: skin, teeth, eyes, and hair? How may each be improved?

Sec. 106. What distortions sometimes make the expression on one's face unpleasant? What does one's facial expression really picture? When does one's facial expression become distorted? What effect does anger have upon one's facial expression?

Sec. 107. What part does voice play in personality? Why is voice more important than it used to be? What is the importance of voice to actors and radio announcers? What should one do to improve his voice?

Sec. 108. What three types of speaking voice are there? Which quality is most used and why? How can one practice to overcome flatness of voice?

Sec. 109. What do you understand by voice modulation and pitch? Why should we pay attention to voice modulation?

Sec. 110. After face and voice, what is the next thing we notice when meeting a stranger? What are some things a person must consider in order to be well dressed?

Sec. 111. What should a woman have in mind when choosing her dresses? What type of a facial expression calls for soft, ruffy clothes? What type calls for straight-line garments?

Sec. 112. What seven rules does the Hollywood screen star give to young men who wish to be considered well dressed?

Sec. 113. Why should we take good care of our hands and feet? Should they be made to look conspicuous? Why is it bad taste to have highly colored finger nails? Upon what do good-looking hands and feet depend? What attention should one pay to his shoes?

Sec. 114. To what extent is the use of color increasing in this country? What gives color to the army? Why are these things used? What kinds of color are referred to in this paragraph?

Sec. 115. When should one test himself for a sense of humor? How can one make his personality more attractive by the use of amusing things? What can we do to make life more agreeable to us?

Sec. 116. How can one tell whether his talk and actions are meeting with approval? How can one discover in himself that which needs correction? How did Miss Jarratt train herself?

Sec. 117. What is the pinnacle, or highest point, in the journey of life?

Sec. 118. Explain what is meant by character. During what years of one's life is character actually developed? Who builds one's character? Explain the difference between character and reputation.

Sec. 119. Why is association with people necessary in order to build good character?

Sec. 120. Can *anyone* build a great character? a good character? What, perhaps, is the best trait of character—one that anyone may acquire? What qualities are necessary for a good character? How should a study of character qualities help us?

Sec. 121. Explain why courage, more than any other quality, is necessary for a good character.

Sec. 122. What is meant by self-control? In what way is an easily excited person dangerous? In what way is he at a disadvantage?

Sec. 123. What are some objections to laziness?

Sec. 124. Among what people is jealousy most often found? About whom are they usually jealous? To what do jealousy and greed often lead?

Sec. 125. Explain why accuracy is found in good character.

Sec. 126. Explain what honesty means. How does dishonesty result from greed and selfishness? In what ways is the government decreasing dishonesty?

Sec. 127. Tell the story of Mr. Heinz' clerk and the dishonest chain-store clerk. Do big store owners want their clerks to be dishonest?

Sec. 128. Is most dishonesty usually found in big business houses or small ones? Will a dishonest business usually grow big?

Sec. 129. In buying a car, for what does a man look first? Why? What are some of the marks of a reliable man?

Sec. 130. Describe how a reliable man acts, especially in keeping his promises.

Sec. 131. Explain the difference between an open-minded person and a closed-minded person.

Sec. 132. Why should we be unselfish?

Sec. 133. Why isn't self-pity a popular trait?

Sec. 134. What are the objections to pride and arrogance?

Sec. 135. Why do young people seldom fool others by lying or bluffing? How does a professional card shark detect bluffing?

Sec. 136. In what ways do we reveal our character? When a person sneers, what animal does he imitate? How is slyness shown? How is contempt, disgust, or haughtiness shown? How is fear shown?

Sec. 137. If we commit a misdeed or make a mistake, what can we do to improve our character?

Sec. 138. Tell the story of Jimmy, the boy from St. Louis. Do you think his confession strengthened his character?

Sec. 139. What has been responsible for much of the suffering caused by the recent depression? What should overcome this in the future?

For Class Discussion

Sec. 101. What is personality? Illustrate. What qualities are common to both character and personality?

Sec. 102. In what ways, if any, should we try to change our personalities? Discuss how the personalities of the men mentioned in this section made it possible for them to influence others. Discuss the personalities of some of the influential men of today. Are you satisfied with your present personality? If not, what are you doing to change it? Is it possible for a person to have the kind of a personality he desires?

Sec. 103. Do you think many people realize that they have weak qualities? Is it possible for a person to see himself as others see him? What are some weak personality traits or qualities? What are some strong ones? How can one go about strengthening the weak ones that are named? What personality traits make one popular? What ones make him unpopular? Can the tendency to be disagreeable or quarrelsome be overcome? How can a person tell whether he is disagreeable or quarrelsome?

Sec. 104. Someone has said that the eyes are the windows of the soul. What does this mean? What sort of a face reflects a good or a strong personality? How long do you think a person can practice mean, vicious habits without their showing in his face?

Sec. 105. What effect do the following have upon good looks: a dirty skin filled with blackheads; dull, yellow teeth covered with tartar; bloodshot eyes or eyes with red lids; dirty, tousled hair; dirty hands and finger nails? How may each of the above be made good-looking and attractive?

Sec. 106. How can one avoid having any of the facial distortions described in this paragraph? Describe some facial expressions that you have seen.

Sec. 107. What radio announcer do you think has the most pleasing voice? What do you like about his voice? Let several

members of the class volunteer, two at a time, to hold an imaginary telephone conversation from opposite sides of the room. Criticize their voices, both favorably and unfavorably. Describe what you consider a pleasing voice.

Sec. 108. How many types of voice are there in your class? Which type do you enjoy most? If there is a public-speaking or dramatics teacher in your school, invite him or her to speak to your class on the proper use of the speaking voice.

Sec. 109. Describe how a minister or other public speaker makes use of variation of pitch when he is speaking. How does one pitch his voice when he is sad? happy? angry? excited? About how many degrees of pitch do you use in ordinary conversation? Is it pleasant to hear a speaker who changes the pitch of his voice frequently?

Sec. 110. Think of some people you know or have seen and describe how you think their dress reveals their personality.

Sec. 111. Describe how a woman can make her dress fit her personality.

Sec. 112. Discuss the seven rules given by the screen star. Should any others be added?

Sec. 113. Explain how the appearance of one's hands or feet can spoil an otherwise good-looking ensemble.

Sec. 114. What increase have you noticed in the use of color in the United States? What are some of the meanings of the word, color? What sort of color do motion picture actors and actresses use to keep their names before the public? What is a colorful personality?

Sec. 115. What is meant by a sense of humor? What is meant by taking oneself too seriously? How can one develop a sense of humor?

Sec. 116. Discuss ways and means of improving our talk and actions by watching their effect on others. How else can we analyze our actions?

Sec. 117. Explain why character is the keystone of life.

Sec. 118. How would you go about judging another's character? Define character, personality, and reputation. Explain what is meant by the last sentence in this paragraph.

Sec. 119. Discuss the quotation: "A talent is developed in quiet; character in the stream of the world."

Sec. 120. Why does doing the best one can at all times develop character? Decide whether any necessary qualities should be added to or taken from the list given in this paragraph.

Sec. 121. What is courage? Do you believe that courage, more than any other quality, is necessary for good character? Is it true that weakness and fear are behind all acts of dishonesty?

Sec. 122. How can lack of self-control mar an otherwise strong character?

Sec. 123. Why do you think industry is necessary or unnecessary for a good or a strong character?

Sec. 124. What effect does jealousy have upon the development of character?

Sec. 125. Is accuracy absolutely necessary for a strong character?

Sec. 126. Name as many forms of dishonesty as you can. Can a dishonest person be said to have a good or a strong character?

Sec. 127. What dishonesty do you know about in business? Do you think that there is more or less dishonesty in business than there used to be?

Sec. 128. Tell why you think dishonesty hurts business or builds it up.

Sec. 129. To what extent may a person be unreliable and still be said to have a good or a strong character?

Sec. 130. Is forgetfulness a good excuse for not keeping a promise? Is any excuse acceptable?

Sec. 131-132. Are open-mindedness and unselfishness necessary traits for a good or a strong character?

Sec. 133-134. To what extent can self-pity or pride prevent the development of a good or a strong character?

Sec. 135. How do bluffing and lying affect the development of a young person's character?

Sec. 136. Explain how a person reveals his character through his walk, talk, face, gestures, bodily motions, and attitudes.

Sec. 137-138. Why does admitting or confessing mistakes help to strengthen one's character?

Sec. 139. Discuss the social value of character development.

Thought Questions and Problems

Sec. 101. Look up "personality" in an unabridged dictionary and read about it in some book that your library may have upon the subject; then write a definition of it.

Sec. 102. Look up more about the personalities of the men mentioned in this paragraph of the text, and of any other great men whom you admire.

Sec. 103. What flaws did you find in the personalities of the men you read about in Section 102? What does the presence of these flaws show?

Sec. 104-106. Describe what you mean by a handsome face; a beautiful face; a good-looking face; a repulsive face; one that reflects a pleasing personality; one that reflects a strong personality; one that reflects a negative personality. By reference to pictures of famous people, show types of as many of these faces as you can. Think of two or three people whom you know, and tell how each might improve the appearance of his or her face.

Sec. 107-109. Write a paragraph discussing the use and the improvement of the speaking voice. In writing, discuss the importance of the voice upon personality.

Sec. 110-112. Write a paper on "The Relation of Dress to Personality."

Sec. 113. In what ways do hands and feet reflect personality?

Sec. 114. Look up in the dictionary the different meanings of the word, color. Describe the kind of color used and its value in: clothing; houses; automobiles; pictures; the army. What sort of color makes a person or business attractive?

Sec. 115. Write a theme on "How to Develop a Sense of Humor."

Sec. 116. Write a paper on "How to Improve One's Talk and Actions."

Sec. 118. Tell what you understand by character. Can a tree, an animal, or a mountain have character? Without using his or her name, describe the character of your best friend, as you think you know it.

Sec. 119. What effect do you think the following have upon character development: good associates, bad associates, no associates except one's parents, guardians, or governess?

Sec. 120. Should one always do the best that he can, or are there times when he should do a second-rate job in order to save his strength or to get time in which to do other things? Decide which of the qualities given in this paragraph are necessary. Which are important but not absolutely necessary?

Sec. 121. Write a paper on either "Courage" or "Fear."

Sec. 122. How would you advise an excitable or quick-tempered person to go about developing self-control?

Sec. 123. Do you think anyone ever became great or famous without industry or hard work? Which do you think is better for developing character, pleasant hard work or unpleasant hard work?

Sec. 124. What is the difference between jealousy and envy? Why do you think there is more jealousy among professional people, artists, and musicians than among uneducated people? Why is there comparatively little jealousy among the poor?

Sec. 125. Do you think there is any relationship between accuracy and truthfulness? Do you think that a person who is accurate in his statements is likely to be accurate in his acts? How can an inaccurate person train himself to be accurate?

Sec. 126. Write a short paper in which you define honesty as you think of it.

Sec. 127-128. Would you work for someone who expected you to perform dishonest acts for him? Do you think it is wrong for one person to perform dishonest acts for another?

Sec. 129-130. Give examples or illustrations of reliability in people.

Sec. 131. Give your idea of an open-minded person. Can a closed-minded person ever become an educated person?

Sec. 132. What is your definition of unselfishness? Is an unselfish person likely to become wealthy? Is an unselfish person likely to become famous?

Sec. 133. Explain why you think people get into the habit of pitying themselves.

Sec. 134. What is it that makes people become proud and arrogant?

Sec. 135. Explain why you think people bluff and lie.

Sec. 136. Give instances, based upon your own observations, of how people have revealed their character or emotions to you.

Sec. 137-138. Judging from your own experience, do you believe that confession or admission of a mistake or a wrong deed proved a benefit to you in later actions?

Sec. 139. In what ways do you think poor character development is responsible for the present ills and suffering of man?

Word Study for Chapter VI

SECTION

140. **Material wealth**—wealth measured by money or property, rather than by such things as love of art, music, and friends.
Self-sustaining—able to take care of oneself.
Security—safety; shelter; protection.
Amass—collect; gather; store up; accumulate.
141. **Inclination**—leaning; disposition; desire; wish; liking.
142. **Symptoms**—sign; mark; token; indication.
143. **Surveying**—looking over; viewing; inspecting.
Superficial—shallow; not thorough; without deep feeling.
Slovenly—untidy; disorderly; not neat.
Slipshod—careless in dress and manners.
Spasmodic—jerky; fitful; by spasms; not continuous.
Spurts—brief, sudden efforts.
144. **Tedious**—tiresome; slow; monotonous; trying; wearisome.
Discipline—training; drill; exercise; teaching; control.
Primary—first; chief; principal; leading; fundamental.
145. **Eliminate**—to set aside; remove; reject; expel; get rid of.
146. **Achievement**—something done, performed, or accomplished; feat; deed; attainment; accomplishment.
147. **Derelict**—something left or cast away intentionally; a person to whom society pays no attention.
150. **Persistence**—the quality of continuing steadily in any course begun; sticking to a task until it is finished.
151. **Side lines**—things not connected with one's regular business.
Focused—brought together at one point; concentrated.
Dispersing—scattering.
Diffused—widely spread; scattered.
Converged—brought to one point.
152. **Homespun**—plain; coarse; cloth made or spun at home.
Halo—a form of glory; a circle of light around the head.

153. **Platoon**—one of the smaller divisions of the army.
156. **Enthusiastically**—with eagerness, warmth, earnestness, ardor, or zeal.
158. **Soldiering**—to make a pretense of working, while doing only enough to avoid punishment or discharge.
161. **Virtuous**—upright; righteous; excellent; good; morally good; worthy.
162. **Adversity**—trouble; misfortune; distress; misery; suffering.
Demonstrate—to prove beyond doubt; teach by example; to point out.
Evolve—work out; unfold; expand.
163. **Primitive**—beginning; first; original.
Appropriate—to take as one's own.
Chattels—personal property; any property except real estate.
Mutual—common; joint; done by two or more at the same time.

Pretest for Chapter VI

1. What is your idea of a successful person?
2. Why is poor health likely to prevent one's attaining complete success?
3. Give several examples of how lack of foresight may prevent success.
4. What should a person do when he has to perform a task that is not agreeable to him?
5. One's ambition is a wonderful thing. How may it be harmful to a person?
6. Who pays for the bossing that a workman requires?
7. When an employee is asked a question that he cannot answer, what should be his reply?
8. Why do employers often dislike to hire friends or relatives?
9. Give your definition of a real friend.
10. Name a few ways by which friends may be made.
11. What ways, if any, have you used for cultivating your memory?
12. Name the traits possessed by a successful man.
13. Many a young person wants to become a great musician, an artist, an author, or a motion picture actress within a year, or in less time. Name any persons you know who have made a great success in such a short time.
14. What objections are there to allowing the state to furnish all the necessities of life for a person without his working?
15. State why you would be happy or unhappy if you never *had* to do anything.

CHAPTER VI

SUCCESS REQUIREMENTS

140. **What Is Success?** A complete definition of success that would be satisfactory to all persons has, perhaps, never been found. Each person has his own idea of what success would mean to him, and this idea keeps changing with the passing of time. To some persons, success means fame; to some it means fortune in money; to others it means only love and happiness. Young people, especially, are inclined to think that success is indicated by the accumulation of material wealth or by the ability to secure a large volume of business. It is true that the successful man is able to manage his affairs in such a way that he is at all times self-sustaining and able to enjoy security, but it does not follow that he must amass a fortune. During the last few years the searchlight of publicity has revealed the methods used by many so-called prosperous men, and their names have been struck from the list of "Who's Who" among the successful. Success now means far more than mere money-getting. A broad general definition of success may be summarized as follows: The ability to be self-sustaining, the practice of making others happy, the ability to win and hold the respect of society, and *joy just in being alive*.

141. **No Handicap to Success.** Every normal person would like to succeed, not so much for the money reward but for the personal satisfaction that goes with success. Unfortunately, there seems to be an inclination in many people to think up reasons why they may not succeed. One of these excuses may be, "My grades in school prove

that I was not born a genius, and my teachers or parents have listed me as hopeless." Just remember that many of our greatest successes—Edison the inventor, Wordsworth the poet, Darwin the naturalist, Curie the co-discoverer of radium—were called dullards in school.



It is easy to loll around and be envious of the fellow who climbs to success by effort.

Another favorite excuse for not striving to succeed is that one may have a physical handicap or poor health. Let us consider whether or not success is impossible under these misfortunes. Pasteur, the scientist, whose discoveries help so much in our fight against disease, at the age of forty-six had a paralytic stroke which handicapped him for life. We find Beethoven writing music, although deaf, and Milton writing poetry, although blind. We recall that James Watt was

sickly of body and starving on his earnings of but eight shillings a week. The only handicap, it would seem then, is an unwillingness to pay the price in effort that success demands. Too many want this great blessing of success to settle down upon them like the gentle dew from heaven, without preparing themselves to attain it naturally and gracefully.

142. Good Health Makes Success Easier. With good health we should attain success in much less time and with much less effort than when combating illness. The kind of health we have depends very much on the kind of food we eat, the kind of air we breathe, and the way we treat our bodies. More people suffer from overeating and overdrinking than from any other causes. Now that

machines are doing more and more of the heavy physical labor, man in the future will require less food. Atmosphere is vitally important to health. Nature provides pure air for us, and we should see to it that we breathe fresh air at all times.

Fully as important as bodily health, is mental and moral health. Bad associates have prevented many a person from becoming successful. Smallpox is a mild disease compared with many other health-destroying plagues that can easily be handed over to us by bad associates.

Business firms do not tolerate long the worker with any symptoms of disease. There is always an understudy ready to step into the place of a half-well employee. Young people require exercise to keep in health, but care must be taken that the exercise be of the right kind. It is fun to exercise in the right way. When exercise is not fun, it may be dangerous. Five to ten minutes spent in exercising in your room when you get up in the morning, topping off with a warm or cold bath, will do wonders in opening up the pores and sending your blood tingling through your veins.

143. **Energy and Efficiency.** Next to health, most experts agree that properly directed energy is of the greatest importance. Efficiency means spending energy in such a way that the result is of real value. Hit-and-miss effort is of little value. The man who works very hard one day and lies down in his effort the next is merely fooling himself. Steady effort, day after day, applied in a definite direction and for a given purpose, cannot fail to produce results. On the journey of life there is joy in doing perfectly, or at least to the best of one's ability, everything that one attempts to do. There is a sense of satisfaction, a pride in surveying such work—work that is well rounded, full, exact, complete in all its parts—which the super-

ficial man, who leaves his work in a slovenly, slipshod, half-finished condition, can never know.

In elementary schools most of the tasks which pupils are given to do require but a few minutes of time; hence they get no training in sustained effort. When we get into high school, the tasks are greater and require more time to be completed; and when we enter the business world, we find tasks which demand still greater sustained effort. When we go out into the world to sell our services, we find no market for spasmodic spurts. Whether we like it or not, we have to "do our stuff" hour after hour or get out. There's no room for the person who lets things go and says, "I'm tired; I want to do something else."

144. Work Cannot Always Be Agreeable. Since we shall have to learn it sooner or later, we might as well begin now to learn that we cannot always do just the things we like to do and work only when we feel like working. We shall also have to learn that we can't dodge paying attention to tedious details.

Harvey Firestone, the well-known tire builder, says: "Success is the sum of detail. It might, perhaps, be pleasing to imagine oneself beyond detail and engaged only in great things; but, as I have often observed, if one attends only to great things and lets the little things pass, the great things become little; that is, the business shrinks."

Elihu Root, the American statesman, says: "The worst, the hardest, the most disagreeable thing that you may have to do may be the thing that counts most, because it is the hard discipline, and the hard discipline alone, that makes possible the highest efficiency."

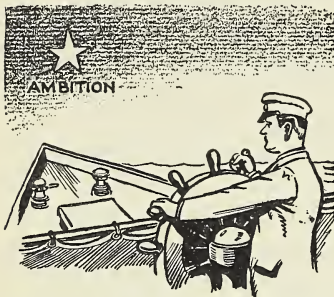
Martin L. Davy, the tree expert, says: "Painstaking care is certainly a thing of primary importance. I doubt if any great success can be achieved unless a person has the desire to take pains. This means carefulness and

thoroughness, not only in the work one does but in the way he does it. I have thought many times that one of the greatest things America needs in our generation is the desire to do things right and to avoid the slipshod, indifferent, and careless way of performing the duties of life." In the Davy organization the slogan is, "Do it right or not at all."

145. Efficient People Are Interested. No person can be efficient until he becomes interested in the thing he is doing. When a man loses interest in all kinds of work, he loses interest in life; and when a man loses interest in life, he is dead. Although his funeral may not have taken place, he is, nevertheless, as dead as though the grass grew over his grave; for he gets no joy out of life, nor does he give joy to others. One of the easiest traits to master is making oneself interested in a task which at first seems to be uninteresting. It is surprising how quickly a person can become interested in the most disagreeable tasks, and even learn to like them. It is all a matter of self-discipline. There is a certain amount of fun in doing things that other people are afraid to do. An interested person isn't afraid of failure; in fact he is looking for a failure so that he can whip it. A good loser keeps on plugging and pulls himself out of one hole after another. The more he is knocked down, the harder he fights. He does not know how to quit. He enjoys a good bump occasionally. The unfit eliminate themselves by refusing to take their share of the training-bumps that pave the way to success.

146. The Successful Man Has Ambition. Before an engine has any power, it must have a fire under the boilers. Ambition was the fire that stirred Edison, Lindbergh, and other successful men who have been more interested in achievement than in public applause. The ambitious man does not forge ahead because he wants to outshine somebody else. He sees something that

needs to be done, and he has faith in himself that he can do it. There are plenty of ambition-killers in this world; people who tell us that "It can't be done"; that "The field is overcrowded"; that "The small man no longer has a chance." Such statements as these only add fuel to the fire under the ambitious man's boiler. *Ambition*



Without ambition we have no guiding star to direct us on the journey of life.

can be cultivated. But we must not overlook the danger in over-ambition. The successful man constantly watches lest his ambition may ruin him. The desire to be champion has caused the death of many a person who let his ambition run wild.

147. **The Successful Man Has Imagination.**

The greatest thing in the world is man. The greatest thing in man is soul. The greatest thing in soul is that which creates—*imagination*. All progress, all achievement is the story of imagination. Success and imagination cannot be separated. The one blends into the other. The difference between Shakespeare and a coal heaver is a difference of imagination. There is the photographic mind that sees things as they are; there is the artist mind that sees things as they may be. All great men have the artist mind. The seed, or germ, of all successful effort is in a trained imagination. If you can't picture your goal, you won't have the courage to start. Your imagination is working with you or against you every minute of every hour of every week of every year of your life.

148. **The Successful Man Has Initiative.** Imagination *thinks* things; initiative *does* things. Initiative is doing what should be done without being told to do it. There

is a proverb that opportunity is hiding behind every corner. It is—but only initiative finds it. Remember it is always possible to give a new slant to an old idea; therefore have the courage to begin things. We learn by doing. Most men imitate. Leaders *initiate*.

149. The Successful Man Has Enthusiasm. Emerson says, “Nothing great was ever accomplished without enthusiasm.” Good work is never done in cold blood. Heat is needed to forge anything. Every great achievement is the story of a flaming heart. You can’t even sign your name properly if your fingers are cold. Like your job a little better than anything else. The man in love with his job can’t fail to put it over. The worker can go just as far as the boss, but the boss won’t carry him. Only enthusiasm will do that. Before water will generate steam, it has to boil. An engine won’t move an inch until the steam gauge registers 212 degrees. The man without enthusiasm is trying to move the machinery of his life with lukewarm water. Only one thing can happen: he will stall. Remember, enthusiasm is electricity in the battery. “It’s the sparkle in the wine, it’s the vigor in the air, it’s the warmth in the fire, it’s the breath in all things alive.” The one hundred per cent man has always this: the habit of performing more work than he is paid for; but the more work he puts into his job, the more pay he draws out.

150. The Successful Man Has Persistence. There isn’t a problem anywhere that won’t yield to “It can be done.” Just keep going on—that’s the secret, for it’s the last punch that counts; it’s the last volt of power that puts things across. There’s a key to every door. That key is persistence. Remember, “A diamond is only a piece of coal that stuck to its job.” Lincoln said of Grant, “I can’t spare this fellow—he’s got a grip like a bulldog.”

Calvin Coolidge said: “Nothing in the world can take the place of persistence. Talent will not; nothing is more

common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts."

Some phrase-maker has said that a winner never quits, and a quitter never wins. A man is measured by his quitting point. Better not to start than to start and quit. A New York organization has this for a slogan: "When other people are ready to give up, we are just getting our second wind." The slogan, "Press on," has solved and will solve the problems of the human race.

150. **The Successful Man Has Concentration.** Beware of side lines! To aim at half a dozen things is a good way to miss them all. The price of knowledge of one thing may be ignorance of a score of others, but knowing one thing well pays. The story of success is always the story of focused energy. Success results from the ability to do one thing a little better than anybody else can do it; its slogan is, "This one thing I know I can do." Carlyle puts it this way: "The weakest living creature by concentrating his powers on a single object can accomplish something; whereas the strongest by dispersing his powers over many things may fail to accomplish anything."

Ask yourself, "Did I ever know anybody who concentrated on one thing and one alone, and in every sense failed to achieve it?" Take a piece of paper and let the diffused sunshine fall upon it: the paper is unharmed. Now concentrate the sunshine through a glass: the converged heat will burn a hole through the paper. When you focus your will on one thing, it will burn its way through it. This is success: to put your mind on one thing and hold it there; to do one thing a little better than it was ever done before. Keeping your mind on what you are doing is called concentration. You can't succeed without it. If you are working for someone else, concentration will command appreciation and earn your advancement. The man who goes ahead is not the man who

does many things above the average, but the man who does one thing a little better than anybody else does it. One talent concentrated will do more than many talents scattered.

152. The Successful Man Has Loyalty. There is no substitute for loyalty. It is dressed in homespun, but it keeps the world going. Loyalty is the plainest thing in human life, but it's the best thing in human nature. Without it, civilization couldn't exist—would go to pieces. An ounce of loyalty may be worth a pound of cleverness. No organization is greater than the loyalty of the men it employs. Your organization succeeds or fails through you; therefore get in line or get out. Every time a man talks down his business, he talks down himself. Every time he hits his organization, he hits himself. There is only one thing that will make a man grow a halo in any organization, and that is loyalty. There are weaknesses for which any boss will make allowances, but disloyalty is not one of them. Elbert Hubbard said, "If you work for a man, for heaven's sake, work for him."

153. The Successful Man Coöperates. We live in an age of coöperation when men succeed as they work together—team-work. The organization that cannot coöperate cannot succeed. In the future, it will be difficult for any employee to stay on the payroll very long who is unable to mix agreeably with his co-workers. One of the qualities of increasing importance that makes for success is the power to coöperate with other people. The kind of sympathy and unselfishness which enables a young man to work effectively with others is of greater importance than any other single quality. The difference between a pile of bricks and a skyscraper, a shack and a city, a piece of steel and Brooklyn Bridge, is *coöperation*. The measure of the strength of an organization is its ability to say *we*: to think, plan, and work *together*. Separate

billions of drops of water, and each drop can do little. Unite them into Niagara; they are powerful. Separate a thousand grains of powder, and there is no explosive power. Unite them into one blast; they will lift a mountain. The test of power is unity. The soldier's value is determined by his ability to work with the platoon; the platoon's value is determined by its ability to work with the army. The strength of the wolf is in the pack. The strength of an organization is not *I*. It is *we*. The greatest hunger and the most profound loneliness come from living to oneself alone.

154. The Successful Man Practices Economy. The average workman is less than three weeks away from starvation. Yet anybody can live on a little less than he actually does. The law of the universe is economy—not a leaf wasted; not a drop of water wasted. The man who breaks that law is headed for trouble. It is true that money cannot buy happiness, but happiness and efficiency are related to such things as spending and saving. It's the man who keeps his savings up and his expenses down that buys an interest in the business. The man with the savings-bank habit seldom gets laid off: he can't get along without the boss; the boss can't get along without him. You may have many friends, but you will find none so capable of pushing you to the front as the little book with the name of a bank on the cover. Get the bank book habit. When a certain executive was asked the secret of his success, he condensed his reply into this sentence: "The willingness to live on Cash Street when I was able to live on Mortgage Avenue."

Charles W. Armour once said to his son: "I was started off with a kick. But it was a kick up. And everyone since has lifted me a little higher. I got two dollars a week and slept under the counter, and you can bet I know how many pennies were in each of those dollars and how hard the floor was. That's what you've got to learn!"

Remember that a real part of your capital is your time. Economy means not only the wise use of money, but also of time, ability, and energy. *It resolves itself into the scientific management of yourself.* The one hundred per cent man will eliminate leaks in money, time, and opportunity. Any man who stops a waste or a leak has learned economy. His job is steady, his advancement sure.

155. The Successful Man is Cheerful. It isn't easy to be cheerful all the time. Aside from being a fine trait, cheerfulness has a cash value. Smiles and kindness to others often pay in actual dollars and cents. Recently a boy of nineteen inherited \$10,000 from a banker who died. This banker lived in the neighborhood of the boy's home and observed him grow from childhood to a youth of eighteen. The man observed that the boy was always willing and ready to serve his friends. Whenever the opportunity presented itself, the boy would run errands and perform other helpful services for the banker, always with a smile. The banker remembered him in his will. Anything is done quicker and better if done with a smile. A smile will get under the thickest skin. There's a smile inside every man. Your own smile will bring it out. Every time you smile, you make life a little brighter both for yourself and the other fellow. Remember, it's the bright side that's the right side every time. Keep that smile on your face. You can do it if you will.

156. Bossing Costs Money. "Every man pays for the amount of bossing he requires. Likewise every man's wages increase in proportion to his ability to act as a boss or foreman of himself and others. The lower the wage rate, the greater the amount of watching and direction required. The highest wages are paid to the man through whose ability the largest number of other men may be profitably employed," says Alfred Kauffman, president of the Link-Belt Company.

A manager of one of New York's great hotels says: "I can pick out today in any organization the young man who will be running that business twenty years from now. He is the one who is obeying orders, quickly, intelligently, and enthusiastically; he is preparing for the next job higher up. There's so much laziness and indifference in this world that such fellows forge to the front like greased lightning."

Here is a good joke to play on the boss: Get to work on time or a little ahead of time. Leave a little later than you are supposed to go. Handle his tools as though they were your own. Go out of your way to say a kind word about him to a fellow workman. When there is extra work that needs to be done and everyone else is trying to dodge it, volunteer for the service. Do not show too much surprise when the boss notices you and offers you the head of a department or a bigger job at increased pay. The big things don't come to little people, but they can't stay away from big people. Every day you write your own pay check!

157. What Employers Want. Wanted: A man for hard work and rapid promotion; a man who can find things to be done without the help of a manager and three assistants: a man who gets to work on time and does not imperil the lives of others in an attempt to be the first one out of the office at night.

An employer says: "We dislike people who say, 'I don't know,' in answer to a question. The trained employee always says, 'I'll find out, sir.' "

Some of the big New York hotels have the following rules: Employees must not use high-powered perfume, hum or whistle, laugh loudly—even at a joke told by a guest, or shout over the telephone. They must not drag furniture, rattle keys in doors, bang windows or doors, snap up window shades, or bump cleaning equipment

into the walls. Employers today have places for money-makers but not for noise-makers.

158. Why Jobs Are Hard to Get and Easy to Lose. There is no excuse for inefficiency. The fact that one is a personal friend of his employer should not stand in the way of that employee's giving the best service of which he is capable. A hundred of the leading industries in this country, giving the principal reasons for which employees are dismissed, report that tardiness, disloyalty, discourtesy, and soldiering on the job lead the list. Curiously enough, these are the old faults about which our forefathers had to learn from the copybooks back in the wheelbarrow and buggy age; they seem to persist in human nature until human nature persists in overcoming them.

159. Friendships Are Priceless. It will be noticed that every successful person has a host of friends, some of whom have helped to make the person a success, while others have been attracted to him because of his success. Without friends the journey of life is filled with loneliness.

"What is a friend? He is a person with whom you dare to be yourself. He seems to ask of you to put on nothing, but to be only what you are. He does not want you to be better or worse. You do not have to be on your guard with him. You can say what you think, so long as it is genuinely *you*. With him you breathe freely. He understands. You do not have to be careful. You can abuse him, neglect him, tolerate him. Best of all, you can keep still with him. It makes no matter. He likes you. You can weep with him, sin with him, laugh with him, pray with him. Through it all—and underneath—he sees, knows, and loves you."—*Anonymous*.

The ability to form friendships, to make people believe and trust you, is one of the few absolutely fundamental qualities of success. Selling, buying, bargaining are so

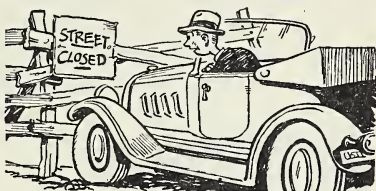
much smoother and easier when the parties in the transaction enjoy each other's confidence. The young man who can make friends quickly will find that he will glide instead of stumble through life. Nothing makes a friend of a man quicker than an interest in him. Interest in a person is shown by remembering his name or some personal incident that has happened to him in the past.

160. Memory and Its Value. There are many things in this life which everyone needs to remember, and there are, perhaps, just as many other things which everyone needs to forget. It is illogical to try to train our memories to retain everything. The successful business man does not burden his memory with facts that may or may not be used. Record books, card indexes, and filing devices have been invented for that purpose. However, most men whose work brings them into direct contact with the general public have learned that the ability to remember names and faces and personal incidents is a real asset.

Successful salesmen make every effort to remember faces and names and to call a man by name even after years of absence. One salesman who has been highly successful, partly because of his knack of remembering people's names, tells how he does it. "If I can't think of a name," he says, "I mentally begin at the first of the alphabet and keep right on until I strike a letter that seems to belong to that man. Just recently I went to see a man named Voiland and couldn't think of his name. The moment I came to V in the alphabet, the name rolled out of its slot in my memory."

161. Foresight and Planning. Foresight means seeing tomorrow's needs today. Planning means using foresight so that we shall be ready to meet future situations when they arrive. Lack of foresight is one of the frailties of youth. Many boys and girls wait until just before school time in the morning to repair their clothes or to find their books. Sitting behind the wheel of an automobile gives

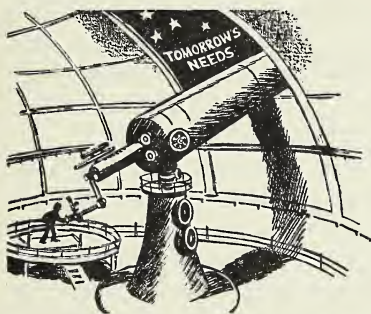
one many opportunities to observe the lack of foresight in others. A driver with foresight sees everything within a block ahead of him and plans accordingly. He seldom needs to slam on the brakes quickly. The driver without foresight runs up within a few feet of a blocked highway before discovering that he cannot proceed.



Persons without foresight have to run right up against an obstruction before they discover that they cannot pass.

The autoist without foresight and planning usually is found waiting in a long line on the last day for getting a license. The road to success must be found early in life. If it is not discovered until late in life, we can make little use of the road. Highly successful men of today are simply cashing in on the virtuous habits they formed in youth, just as they are cashing in on the life insurance

policies which they thriftily took out early and kept paid up through the years.

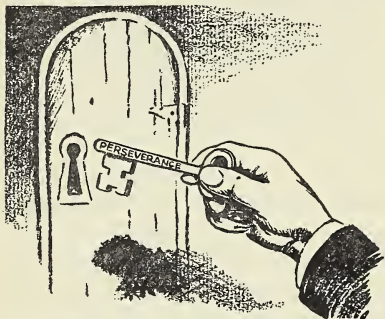


Until we learn to look into the future and prepare for it, we shall make little progress.

162. Young People Likely to Be Impatient. One of the greatest drawbacks to success is the common American trait of impatience. Each of us would like to accomplish great things right-away-quick. We

should like to be a noted musician, an artist, a movie actress, or a business executive, between now and next month or next year. But nowhere can a record be found

of any great success having been attained in such short time. Stories to the contrary are just so much hokum. Many persons are always intending to do something, but for some excuse or another they never actually get started. It takes a great many years of hard work, tempered by lessons taught by adversity and repeated fail-



Perseverance unlocks more doors to success than any other key.

ures, to succeed in a big way. And, after all, this demonstrates the truth of a great process—the process of evolution. Before success reaches its finest expression, it must grow, develop, and evolve, and profit from the lessons and experiences of the years. The successful person must be mea-

sured over a long period of time. Temporary success does not count. Alfred Bedford, the New York banker, once remarked, “I have no patience with smart alecks, with highfliers, with brilliant young men who go up like sky-rockets—for they usually come down that way.”

From Lawrence A. Downs, president of the Illinois Central Railway, we get the concluding inspiration for success: “Of course a good deal happens in a man’s life for which he isn’t responsible. Fortunate openings occur. There are heroes of circumstance, just as there are victims of circumstance; but in planning for promotion, it is safe to remember that such ‘breaks’ are occurring all the time and, other things being equal, the advantage goes to the man who is ready.”

163. Social Value of Success. Man, in his primitive state, lived unto himself. It was his job to kill every

other man, and to appropriate every other man's women, goods, and chattels to himself. As the human intellect developed, man learned to appreciate that he could live longer and more happily by coöperation; thus tribes were formed, and from tribes society developed. By society is meant the living together of human beings for their own mutual benefit. We have built an organized society with guarantees that membership on its different levels is determined solely by individual initiative. The state cannot solve our personal problems. Each individual must work out his own salvation.

Questions on the Text

Sec. 140. What does success mean for some men or women? For some young people? Can all prosperous men be considered successful? Give a broad general definition of success.

Sec. 141. Why does every normal person like to succeed? Name some great men or women who were not good students. Name some great men who had physical handicaps. What is the only real handicap that may prevent success?

Sec. 142. Why does good health make success easier? Explain why the kind of health we have depends upon the following: the kind of food we eat, the kind of air we breathe, and the way we treat our bodies.

Sec. 143. Tell about the kind of energy that is necessary for efficiency. What kind of work gives one a sense of satisfaction? How do the demands of the workaday world differ from the demands of the elementary and high schools?

Sec. 144. Why can't work always be agreeable? What does Harvey Firestone say about success? What does Elihu Root say makes possible the highest efficiency? What does Mr. Davy say about the need for being painstaking or careful in doing things?

Sec. 145. Why should a man be interested in what he is doing? How can a person become interested in his work?

Sec. 146. Why is ambition necessary for success? How do some people try to kill ambition in others? What is the danger of over-ambition?

Sec. 147. Explain the greatness of imagination. In what ways does imagination make success possible?

Sec. 148. Explain the meaning and importance of initiative.

Sec. 149. Describe the meaning and power of enthusiasm.

Sec. 150. What is persistence? Why is it important? What did Calvin Coolidge say of persistence? Name two slogans that have to do with persistence.

Sec. 151. Explain how concentration makes it possible for even a weak person or creature to accomplish something. Tell

about the power of concentrated sunshine. Explain how concentration will bring success.

Sec. 152. Why is loyalty important? Why should the members of an organization be loyal?

Sec. 153. What is the meaning of coöperation? Why is it important? Give four or five illustrations that show the power of coöperation.

Sec. 154. Discuss the relation of economy to happiness and success. What was the executive's secret of success? What did Mr. Armour say to his son?

Sec. 155. Give two reasons why a person should be cheerful. Tell the story of the boy who inherited \$10,000.

Sec. 156. What does Alfred Kauffman say about bossing? How does the hotel manager pick out young men who will be successful? Describe the good joke one can play on the boss.

Sec. 157. Describe the kind of men employers want. What rules must the employees of certain New York hotels obey? What is the reason for the rules?

Sec. 158. Give the principal reasons why employees are dismissed.

Sec. 159. What two kinds of friends do successful people have? What is a friend? Why does ability to make friends help to make one successful? What is one way to make friends?

Sec. 160. From a business standpoint, why does it pay to cultivate one's memory? What is one way to remember names?

Sec. 161. What are the meanings of foresight and planning? How does foresight influence automobile driving? Why should the road to success be found while one is young?

Sec. 162. Why is impatience a drawback to success? Why does it usually take years to reach success? When opportunities come, what type of person usually gets them?

Sec. 163. What, above all else, is necessary for man's success? Who must solve our personal problems?

For Class Discussion

Sec. 140. Can a person be poor and still be considered successful? Should all wealthy people be considered successful? Give reasons for your answer. What is your definition of success?

Sec. 141. What absolute handicaps to success are there? What instances can you mention, besides those given in the text, of handicapped people attaining success?

Sec. 142. What effect may the following have upon health: too much, too little, or the wrong kind of food; intoxicating liquor or soft drinks; impaired breathing, due perhaps to adenoids or defective nose structure? What is meant by mental health and moral health? Why are good mental health and good moral health necessary for success? What has exercise to do with health?

Sec. 143. Why is hit-and-miss effort of little value? Can you explain why a person gets more pleasure out of doing good work than slovenly work? What training are you getting in sustained effort?

Sec. 144. Do you think doing unpleasant work is good for people? What effect does doing careless work have upon a person? How is it likely to affect the possibility of his becoming successful?

Sec. 145. Why is it that a person can do better work, and find it easier to do, if he is interested in it?

Sec. 146. Is ambition necessary for success? Why?

Sec. 147. Name some things that are useful, or from which we get pleasure. Are they the result of someone's imagination?

Sec. 148. What is your definition of initiative? Give some examples of initiative, either those that you have read about or those that you have observed. Would there be any progress without initiative?

Sec. 149. Try to disprove this statement: "Nothing great was ever accomplished without enthusiasm." Explain these statements: "Good work is never done in cold blood. It needs heat to forge anything."

Sec. 150. Why are imagination, initiative, and enthusiasm of little value without persistence? Did Christopher Columbus have all of these qualities? Give reasons for your answer. In the fable, *The Tortoise and the Hare*, which quality did each have?

Sec. 151. Prove or disprove each of these two statements: If a person concentrates on one thing and keeps at it, he will surely attain some measure of success. There can be no progress in the world unless someone does something better than someone else has done it.

Sec. 152. Explain why no organization can afford to allow a disloyal man to remain in it.

Sec. 153. Would it be possible to have an automobile without coöperation? Would it be possible to have an army without coöperation? Suppose all coöperation ceased. What would happen?

Sec. 154. The law of the universe is economy. Explain this law and give some illustrations of it. Why can a person with money in the bank buy more economically than one who spends his money before he earns it? Illustrate what is meant by economy in spending; economy of time; and economy of energy.

Sec. 155. Why do you think it is or is not possible for everyone to learn to be cheerful? How should a person go about forming the habit of always being cheerful?

Sec. 156. What is meant by the statement, "Every man pays for the amount of bossing he requires." Illustrate. What people have no bosses? How can one prepare himself to need less bossing?

Sec. 157. Describe the kind of person you would like to have work for you, if you were an employer.

Sec. 158. The four principal causes for dismissal of employees are tardiness, disloyalty, discourtesy, and soldiering on the job. Which of these may develop into a habit? Which may develop while one is attending school? Why would this be dangerous?

Sec. 159. What is your definition of a friend? Why are some fine people almost friendless? Why is it that some people have a very large number of friends?

Sec. 160. What should a person do to improve his memory?

Sec. 161. How can one cultivate foresight?

Sec. 162. Why is impatience likely to prevent success? Someone has said that we have to wait until a person is dead before we can know whether he was successful or not. Why is this?

Sec. 163. Why would you rather live in a community of successful people than in one where the people are barely able to make a living?

Thought Questions and Problems

Sec. 140. Why do you think people's ideas of success often change with the passing of time? Can you give instances of people who at one time were regarded as successful and later on were not so regarded?

Sec. 141. What do you consider your greatest handicap to success? What do you think you can do to overcome it?

Sec. 142. Why do you think it is that when a person goes around with bad associates, he is more likely to catch their bad habits than they are his good habits? Aside from this danger, why do bad associates often prevent a person's becoming successful? Write out five or more rules which, if followed, should keep a person in good health.

Sec. 143. Much has been written about efficiency by men such as Emerson and Frederick Taylor. After reading about it, write a paragraph or two on what efficiency means to you.

Sec. 144. Can you think of anything that can be called a success that is not well and carefully done—perhaps better than was ever done before? What should this teach us?

Sec. 145. If you have ever become interested in a thing you did not like after working hard at it, be prepared to tell about it. How can you account for your change in attitude?

Sec. 146. A certain graduating class took as its motto, "Hitch Your Wagon to a Star." Write an essay or be prepared to give a talk on this motto.

Sec. 147. Write an essay or be prepared to give a talk on the topic, "All Progress, All Achievement, Is the Story of Imagination."

Sec. 148. Tell how one should go about developing initiative.

Sec. 149. Do you think enthusiasm is something that can be developed? What is the difference between enthusiasm and interest? Which is more important for success?

Sec. 150. A certain high school has as its motto, "It Can Be Done." Write an essay or be prepared to give a talk on this motto.

Sec. 151. How can one develop the power of concentration? Be prepared to discuss the advantages and dangers of specialization—of a person devoting practically all of his time to becoming expert in one thing.

Sec. 152-153. Explain what you mean by loyalty and by coöperation. What is the difference between them?

Sec. 154. Do you think a person should have a regular schedule for the use of his time? If you do, make out for yourself one which you are willing to follow.

Sec. 155. Why do we like cheerful people?

Sec. 158. Of the four principal causes for dismissal from jobs—tardiness, disloyalty, discourtesy, and soldiering on the job—which are the most common among the members of your class? How should one go about overcoming each?

Sec. 159. What is the danger of having only one intimate friend and spending most of one's time with him or her? How can one cultivate a friendly spirit?

Sec. 160. What are you doing to improve your memory? Is it really improving?

Sec. 161-162. Are you inclined to be impatient and to lack foresight? What plan have you to overcome these weaknesses?

Sec. 163. Now that you have read this chapter, what is your idea of the social value of success; that is, why should we as a nation be interested in the success of everybody in the nation?

Word Study for Chapter VII

SECTION

166. **Banished**—driven out; expelled.
167. **Gimcrack**—a pretty, useless thing; a toy.
Undermine—to weaken, sap, or wear away.
168. **Derived**—received; obtained.
169. **Essential**—necessary; most important.
Varying—changing.
Bespeaks—looks like; indicates; betokens.
171. **Specified**—certain; definite; agreed upon ahead of time.
Masquerade—to appear to be what one isn't.
172. **Converted**—changed; transformed.
Glaring—glittering; dazzling; glowing.
Parading—showing off.
173. **Analysis**—a study; an examination of a thing, part by part.
Re-create—to create or make over again.
174. **Conserve**—to save, preserve, protect, or shield.
Restore—to repair, renew, or bring back to a healthy state.
Avoidance—keeping away from; evading; shunning.
175. **Disastrously**—harmfully; resulting in mishap, misfortune.
177. **Unaccountably**—strangely; mysteriously; not explainable.
178. **Citrus fruit**—orange, lemon, lime, grapefruit, citron.
Oleomargarine—a butter substitute commonly made by churning cocoanut oil, animal fat (lard), and milk.
Calorie—a unit for measuring the nourishment in food; the amount of heat that will raise the temperature of two quarts of water one degree Fahrenheit.
179. **Maximum**—greatest; highest.
182. **Inborn**—born in or with one; natural; inbred.
Mania—rage; craze; excessive enthusiasm.

183. **Fascinating**—influenced by some powerful charm; bewitching; enchanting.
Whet—make sharp or keen; excite; stimulate.
184. **Loaded dice**—one side weighted so that certain spots turn up oftener than others.
Weighted wheels—gambling wheels made and operated in such a way that they can be stopped on certain numbers.
Casino—a building or room for amusements or social meetings.
Minor—less than twenty-one years old.
Guise—appearance; behavior; outward show.
185. **Disorder**—sickness; disease; ailment.
186. **Incentive**—motive; spur; stimulus; encouragement.
187. **Novice**—an inexperienced person; a beginner; one new in any business or calling.
188. **Narcotic**—a drug that produces sleep or stupor.
Degradation—disgrace; dishonor; debasement; a low physical or moral condition.

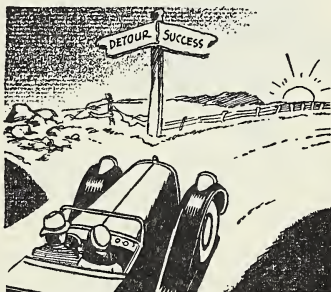
Pretest for Chapter VII

1. Give two reasons why some folks are poor and some are well-to-do.
2. Give your idea of the meaning of thrift.
3. Cite several examples of how young people show a lack of thrift.
4. What examples of waste have you noticed around your school grounds and buildings?
5. Many letters sent out by business firms are wasted. What do you guess is the total cost of writing and sending out a business letter?
6. If you were given the task of discovering waste in a household, where would you begin?
7. Is the girl who goes without lunch in order to spend the money on high-priced shoes and stockings, wasteful or economical? Why?
8. What is meant by taking advantage of discounts?
9. What people make money entirely through the wastefulness of others?
10. How much do you think the time of a housewife is worth per hour?
11. Name several ways in which time and energy may be wasted.
12. Many people are wasteful with the property of others. Are these people likely to be more or less wasteful with their own property?
13. Why is public money wasted so much easier than private money?
14. Name several ways in which money may be thoughtlessly wasted in driving an automobile.
15. How can economy be practiced in the buying of bread?
16. What is wrong with the idea of trying to get something for nothing?
17. Why do bartenders and gamblers seldom use intoxicants?
18. How can one help in reducing waste in his town, and thus reduce taxes?

CHAPTER VII

THRIFT AND WASTE

164. Choice of Two Roads. Before going far on the journey of life, we arrive at a very important fork of the road. One branch of the fork will take us over Prosperity Boulevard; the other will lead us down Poverty Lane. Whether we secure the necessities of life and enjoy its comforts as well as some of its luxuries without begging from others, depends upon our choice in regard to these two roads. No one has the right to force us to take either road.



165. In Which Class Do You Want to Travel?

Well-to-do folks are of two classes: first, those who have inherited wealth or who have had some stroke of good fortune thrust upon them; second, those who have started from scratch and early in life have acquired the priceless habit of thrift, or avoidance of waste. Poor folks also are of two classes: first, those who have inherited misfortune; second, those who prefer to practice waste instead of thrift. Why are some persons thrifty and others wasteful? The answer may be found in one of the two words—energy or laziness. Thrifty people invariably are energetic, while wasteful people are inclined to be lazy and indolent. Study persons around you for a few days and observe this fact for yourself.

The great secret of making the journey of life successfully lies in discovering at the start the main highway and then staying on it.

166. **Meaning of Thrift and Economy.** No one can be thrifty until he knows the full meaning of the words, thrift and economy. Thrift means nothing more than the avoidance of waste, and waste can have a thousand forms. Americans have the reputation of being wasteful. Our



Nearly every person is having his pocket picked every day without realizing it.

habits of waste began when our country was new, and we had more of everything than was needed. In recent years this has not been the case. The entire country has now been developed, and the population has grown to a point where waste must be banished if all persons are to have merely the necessities of life.

Foreign countries long ago were forced to avoid waste, and now America has reached the same stage in its development.

It is the duty of every American not only to avoid waste himself but also to help prevent waste by those who govern us. Everything that is wasted by *part* of the people must be paid for by *all* of the people.

167. **False Thrift.** Young people are inclined to spend the money they have for food or pleasures having no lasting value. Buying cheap food is dangerous; often it is sold cheap because it is about ready to spoil; and any food close to the spoiling point may be poisonous. Going without lunches in order to buy gimcracks, gasoline, or a theater ticket will soon undermine the health and decrease earning power. We learned in Chapter I that our physical body is our only vehicle for making the journey of life, and we cannot afford to throw poor fuel into our power plant or let it run without any fuel. It is only a

short-sighted motorist who uses the cheapest and most inferior grade of oil and gasoline, or starts out on a trip with only a partly filled tank of fuel. High octane is the term given to gasolines furnishing the greatest power. We might apply this term to foods. Some foods furnish more power than others. We must be careful not to spend too much of our money on foods with small power value, as we shall learn later in this chapter.

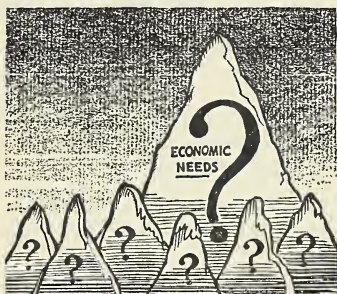
168. Common Examples of Waste. Losses from which no pleasure or any other good is derived are chiefly the result of pure carelessness. Only a small number of losses are worthy of a reasonable excuse. Carelessness is one of the most costly habits a person acquires. It is carelessness that causes many businesses to show a loss instead of a profit.

Every pencil, pen, or sheet of paper someone wastes or loses, means that much more someone must pay for things he needs and uses. Carelessness on the part of girls usually results in loss of clothing. For instance, a girl buys a new dress; the first night that she wears it to a party, during the refreshments she spills something on it, and the dress is ruined. Of course, she may send it to the dry cleaner next day, at an expense of \$2, but the spots will be only temporarily hidden, and the cost of her dress is increased as much as ten per cent. This same girl may also buy a new pair of white shoes. She carelessly steps in some grease on a garage floor, and that means a loss of fifty cents for having the shoes cleaned, which amount increases the cost of her shoes ten per cent. Because of her carelessness, she will not be able to buy the new clothes that the careful girl can buy.

A mail-order lawn mower may be bought for a few dollars, but you will find that it has cast iron wheels, which break when the mower hits a stone, and that the blades are of poor steel which will not hold an edge. Do you consider it economy to buy such a mower instead of

one costing a few dollars more which has wheels that won't break and blades that will retain a sharp edge for a long time?

169. Cost of Living. Since the prime necessities of life—food, clothing, and shelter—make up the largest part of the essential cost of living, it is natural for most people to practice economy in these things. Of the three items, food requires the largest amount of money. The amount any person needs to spend for food depends upon the individual, his health, his work, his age, and the varying prices of food in different localities. Economiz-



Necessities of life should tower above all other needs when money is scarce.

ing on food is dangerous if it means cutting valuable foods out of the diet entirely or reducing the quantity below the needs of an active, growing person. Many a girl has denied herself lunches in order to have money to spend for luxuries. Working hard all day without food undermines her health, perhaps to the point of causing her to

lose her job, which means that all income stops and additional expenses begin. Shelter demands a large slice of the individual's or the family's income. It is an old well-known rule that never more than one week's wages should go for shelter each month. Some persons can economize in rent of room or house, while other persons may find it necessary in their work or profession to live in a place that bespeaks prosperity. Real economy consists in spending where spending brings in the most value.

170. Waste Makes Bankrupts. Today competition in every line is keener than at any time in the nation's his-

tory. The only firms able to stay in business now are those that have learned how to avoid waste. The contractor who is able to figure how to build a house so that there will be no scraps left over is the contractor whose bid is quite a few dollars under the others, and he is the man who gets the job. The tailor who prospers most is very likely the one who cuts his cloth so that there is not enough left to give you scraps for patching. Office workers who are discovered wasting even sheets of paper or lead pencils soon find themselves walking the streets looking for another job. The householder who complains most about the increasing cost of water and electric bills is usually the one who allows leaky faucets to run continuously, or who never takes the trouble to switch off the lights when they are not needed. A father may toil in the blazing sun all day earning money, while the family at home is wasting a large part of his earnings by carelessness.

171. Advantage of Discounts. The person who has learned the meaning of thrift always has his eyes open to take advantage of every possible way of saving. The thrifty person, when buying an article of considerable value, usually asks, "How much less for spot cash?" If the discount is not enough to be attractive, he takes as long a time as possible before paying, thus using his money to the limit. If the discount offered is very large, he will pay cash, even if he has to borrow the money to do so. He figures that the cost of the loan is less than the loss of the discount. Some of the gas and electric companies which formerly sent notice to customers that the bill was overdue and that, unless payment be made within twenty-four hours, service would be disconnected and a charge of \$1.00 made for reconnection, now send a bill, for example, of \$7.40, but tell the consumer, if he will pay before a specified early date, that he need pay only \$6.86 and thus save \$0.54. What masquerades as a discount

for cash is in reality a penalty for slow payment. The bill is \$6.86; the \$0.54 is a credit charge that the customer is in danger of paying if he happens to be slow in check-writing. No person can be thrifty who is willing to pay fifty-four cents for the use of six dollars for a few days.

172. Forms of Waste. The most common forms of waste—and they constantly occur on all sides—are waste of time, energy, materials, and money. All of us willingly admit our waste of time, energy, and materials; but most people refuse to admit waste of money. It is here that we fool ourselves. Money is nothing more than time, energy,



Our time is the only thing in this world
that is limited.

and materials converted into something that we can exchange more readily. Thus, when we waste anything, we are wasting money, truly speaking. As a rule, no one resents being accused of wastefulness more than the person who is the most wasteful.

This is because he has not made a real study of waste. He only thinks he is thrifty. Nothing is more amusing than to observe the most glaring kind of waste parading under the name of thrift. Waste can be observed everywhere if one will watch for it. Garbage collectors and junk dealers are being made rich by people who pride themselves on being thrifty. Real thrift is too much of an art to be acquired in a short time; it must be started early and studied constantly if it is acquired, and if we are to live efficiently instead of miserly.

173. Waste of Time. No other form of waste is so destructive as the waste of time, because time is the only

thing that cannot be replaced. The hours wasted yesterday, last month, or last year are gone forever. They are never coming back again. The only thing that is limited is our time on this earth. Life insurance companies, after they have given us a thorough medical examination, can tell us very closely how much time each of us is likely to have. Anything is wasted when it is disposed of without our having received any benefit from it, or when we are no better off in any way for first having had it. Even the housewife's time has a dollar value. A recent analysis



The art of successful living demands equality between hours of work, play, and sleep. Too much or too little of any one of these makes a person lopsided.

shows this time to be worth fifty-five cents an hour. If a salesman jams his foot in her front door and persists in talking to her against her will, he is not only wasting his own time and the time of his employer but also is responsible for a loss of fifty-five cents an hour to the housewife. When a person is heard to remark that he is killing time be-

cause he knows of nothing better to do, he may better say that he is killing himself. No one should ever have any time to kill. The twenty-four hours we have each day may be divided into three parts: first, our time for work; second, our time for play; and third, our time for recreation and sleep. When one can neither work nor play, then is the time to sleep and re-create energy. Time spent in sleep can never be considered wasted, except when it is the same time that we should be using for work. Persons who find it the most difficult to go to bed at night usually find it the most difficult to get out of bed in the morning. Time-wasters generally are very talkative. It is well to

remember this fact when we have occasion to hire a housemaid, a gardener, or a worker in our business.

174. Waste of Energy. The next most valuable possession to conserve is our physical and mental strength. Perhaps nothing else is so easily wasted without our being aware of it. During the first fifteen or twenty years of life, energy may be squandered without our noticing any serious loss, because during these youthful years nature restores energy very fast. After twenty years, however, this rapid restoring process slows down very materially, and it is necessary for us to recognize the fact and conserve our energy accordingly. A normally healthy person should always have on hand a surplus of energy—that is, a little more than is required for his everyday needs. This surplus can be drawn on when an emergency, such as accident or sickness, strikes one. People who use all the energy that they produce daily, and continue to draw upon the surplus, soon come to the end of the journey of life. Energy is wasted when it is spent without bringing in any returns; for example, it is a waste of energy to spend an hour or two at a poor picture show, driving an automobile over uninteresting roads, or reading cheap, trashy literature written by inexperienced authors. Wasters of energy are not lazy persons, but usually very active people who have never studied how to get the most out of the effort they spend. In judging people, care must be taken not to mistake avoidance of unnecessary work as a mark of laziness. It may be an indication of greatest thrift.

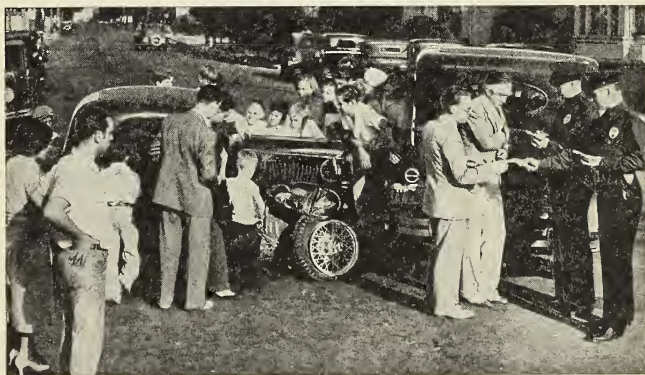
175. Waste of Materials. The habit of avoiding waste of materials should begin with the kindergarten and continue throughout life, regardless of how much wealth we may secure. It is a very noticeable fact that poor people are much more wasteful of materials than wealthy people are. The garbage collector in every city knows where he will find the fullest cans. Hotels catering to the rich suf-

fer less from waste of materials than hotels serving the poorer classes, probably because well-to-do people are used to good things, using no more of them than is actually necessary. Some poor people, when given an opportunity, use not only what they require but waste perhaps more than they use. For this reason public places maintaining rest rooms have learned not to provide more soap, paper towels, and other free materials than they do. Instead of using only what is needed, these wasteful people actually carry material away and thus deprive others of these necessities. Many people who live in rented houses feel that they should misuse the property as much as possible so that the landlord will not make any profit on them. Such a habit is sure to result disastrously, because when we form the habit of wasting other people's property, the same habit causes us to waste our own materials. Youth often wastes school supplies because they are furnished free. Boys and girls should know that part of their own family's purse is taken to pay for such waste. This waste is paid for through taxes that now reach every individual.

176. **Waste of Money.** In the nation, the state, the county, and the city governments, and on down to the individual may be found daily waste of money. Public waste is much more glaring than private waste. The only reason for this is that very few individuals have the money to waste. Those who have a great deal of money are not wasters. It is much easier to know when we are wasting time, energy, and materials than it is to know when we are wasting money. So difficult is it to know for a certainty that money is being wasted, that large corporations employ experts to discover waste. Often these experts are willing to serve on a percentage basis; they are so sure of discovering waste that they agree to accept as pay for their services only a small percentage of all savings. Perhaps there are but very few people who do

not waste a certain amount of money each day or month, but, of course, it would be hard to get anyone to admit this. We waste without realizing it. Waste of money occurs when we do not get full value for every dime or dollar we spend. To avoid waste of money, then, it is necessary above everything else for us to know values. Very few persons know the real value of the many things for which they spend hard-earned money. Since values are constantly changing, it is plain that in order to avoid waste of money, we have a never-ending job ahead of us. Henry Ford says, "Economy has frequently nothing whatever to do with the amount of money being spent, but with the wisdom used in spending it." The recent depression caused many persons to discover that they were wasting money as well as time in belonging to too many clubs, lodges, and societies. A good worker no longer has to belong to a lot of organizations in order to hold a job or get patronage.

177. Automobile Causes Many Wastes. Very few persons realize the unnecessary losses occurring every day in connection with the operation of an automobile. In



Courtesy Automobile Club of Southern California

Hard-earned dollars disappear fast when repair bills, doctor bills, and court fines all occur at the same time.

fact one finds the most unaccountable things being done in the name of economy—all due to a lack of common sense and foresight. A boy may drive an expensive car to school in order to save street car or bus fare. It is difficult to estimate the damage done to a car that stands out in the weather all day or remains out all night. It amounts to more than street car fare every day for months. Jamming on the brakes quickly costs not only money in brake lining but also in gasoline, tires, and wear on many parts of the car. Hitting the curbing too hard when stopping may not bring loss at once, but sooner or later the front axle will have to be aligned at considerable expense. Using a cheap or long-worn inner tube may save an immediate dollar, only eventually to cause the ruin of a good casing and, perhaps, result in an expensive wreck. In the name of economy, one might save several dollars, when starting on a vacation trip, by neglecting to have repairs made on a car. When one's car breaks down far from any garage, it will probably cost him a dollar a mile to be towed into town; after that the necessary repairs will still have to be made. Many a man has driven at night in order to save time and expense, only to get lost on the road and



Cars driven at high speed blow dollars out of the muffler twice as fast as do cars driven at a moderate speed.

finally spend much more than he saved. The cost of driving an automobile is from fifty cents to three dollars an hour, depending upon how fast and how far one drives, so it should not be difficult for anyone to know what an evening of aimless driving actually costs.

178. Essential Foods. For the average family one quart of milk a day is essential for each child, and one

pint for each person over fourteen years of age. The milk may be taken as a beverage or in cooked form, in soups, custards, white sauce, etc.

Two vegetables, besides potatoes, each day are considered necessary. One of these should be a green leafy vegetable, such as lettuce, spinach, or other greens. Fresh citrus fruit or canned or fresh tomatoes are needed at least once a day. One should have cereals and bread every day, also butter or oleomargarine. Oleomargarine has just as many calories as butter, but not so much growth-promoting power. Meat, fish, eggs, or cheese is needed daily. Bread one day old may be bought for half price, yet many housewives buy a large supply of bread at the regular price and keep it at home a day before using it.

179. Spending for Food. For the majority of persons, the simplest and best plan for spending money on food is to divide the money set aside for this purpose into fifths.* This would work out as follows:

1. One-fifth, or more, for milk and cheese.
2. One-fifth, or more, for bread and cereals.
3. One-fifth, more or less, for vegetables and fruit.
4. One-fifth, or less, for meats, fish, and eggs.
5. One-fifth, or less, for fats, sugar, and other groceries.

In this way, the bodily needs are cared for, and a maximum return in food value for money spent is secured.

180. Cost of Clothing. Like all other living expenses, the cost of clothing depends upon the individual, his work, and his tastes. Some persons would sooner drive an automobile, even if it means wearing shoddy clothes, while others would rather have an array of attractive wearing apparel than anything else. It is surprising,

**Chemistry of Food and Nutrition*, by Henry C. Sherman.

though, how little money some well-dressed persons spend for clothes. Instead of buying on credit, these well-dressed persons save their money and pay cash whenever they find a real bargain; in fact, some shrewd buyers never purchase anything unless it is at a special price. There are certain times of the year when every kind of clothing is sold at a reduction from the original price. The person with cash in his pocket or in the bank can save much money by taking advantage of these bargains in clothing. Some girls have a knack of taking last year's dress or coat and re-arranging it or making it over so that it is in the latest style. Sometimes it is economy to have clothes repaired, cleaned, and pressed; at other times such procedure might be poor economy. It often happens that a brand new garment may be purchased for less money than it costs to clean and repair an old garment.

181. Poverty and Its Causes. Thousands of men and women who have had steady employment for the last twenty or thirty years at fairly good wages are today penniless. Thousands of other men and women, with no more income or misfortunes, own their homes and automobiles, and are living quite comfortably. Anyone living in comfort can be said to be successful or well-to-do. The reason some people are well-to-do while others are penniless is largely a matter of money arrangement. No matter how much money a person may receive, if he continues to spend it without getting full value for every dollar, it is only a question of time until he must depend upon friends, relatives, or charity for support. It is not the purpose of the authors of this book to dictate how any person should spend his money, but simply to expose roads that bring thoughtless and uninformed people to poverty. It is then for each individual to decide which road he prefers to travel.

182. Something-For-Nothing Mania. The desire to get something for nothing seems inborn in many persons. A chance to show off cleverness and smartness in the effort to get something for nothing seems to provide a thrill for many people; and human nature is ever looking for a thrill. Gambling is the most common method used in trying to get something for nothing. Pure gambling creates



For the average man, the chance of being struck by lightning is greater than the chance of winning from professional card sharks.

no wealth; it merely transfers the money from one person's pocket to another's—or what is one person's gain is another's loss. But there is little pure gambling today; the "cards are stacked" by those who make a business of gambling and the average person has little chance of

winning. In a game of pure chance, the chances of winning are equal to the chances of losing—in other words a person will come out even if he plays long enough. It must be remembered that a good-sized part of all gambling receipts must go to the house in order to provide luxurious equipment and to pay running expenses. In states permitting horse racing, hundreds of thousands of dollars are collected yearly from those who gamble under the pari-mutuel system.* Losses suffered by many merchants can be traced to gambling. A prominent merchant, suspecting this, recently visited a race track and was able to recognize a large number of his bad accounts represented there. Most forms of gambling are found in the field of sports: horse racing, prize fighting, golf, bridge,

*A system of betting in which a percentage of the stake goes to the operators and to the state.

football or baseball—the last mentioned being freer from the something-for-nothing mania than are most other sports.

183. Gambling Soon Becomes a Disease. No one will deny that gambling is fascinating to most people, and for that very reason every time a young person gambles, he whets his appetite for more. It requires very little time until the desire develops into a disease as firmly fixed as cancer, and, like cancer, the gambling disease is rarely cured. Men who work out in the broiling sun during all the week may lose their entire week's wages in a gambling den an hour after receiving their pay on Saturday night. Then their families depend upon charity for food and clothing. Gamblers invariably are in debt, and even when they win, the money is squandered foolishly, just as gains usually are that are obtained without honest labor.

184. Fraudulent Gambling Devices. It is a difficult thing to convince many people that there are such things as loaded dice, weighted wheels, or marked cards. While high-class, exclusive gambling casinos make an effort to operate aboveboard, they still have about seventy-eight per cent advantage over the players. These high-class places do not admit minors, even to look on. This is because minors, as a rule, have very little money and take up the room needed by men with money. For this reason the owners of these places are perfectly willing to enforce laws against minors entering their premises. In order to reach youth, the gambling czars have provided other low-class places equipped with slot machines in which anyone may risk his last coin even if it is only a penny. These slot machines, more aptly called "one-armed bandits," may be set by the owners to pay any percentage desired. The return varies from twenty to sixty cents on the dollar. The remainder of the player's dollar goes to pay the owners of the machines, the pro-

prietors in whose places the machines are leased, and the racketeers who now control the machines and exact a percentage. In some places, such as hotels, depots, restaurants, ice cream parlors, and drug stores, these slot machines may bring in enough commissions to pay most of the overhead expenses of the establishment. One slot machine recently was discovered by the authorities to have taken in \$110 and to have given back only five cents. Games of chance, parading under the guise of skill, which have been found to be nothing less than highway robbery, are: tango, keno, beano, fortune, skillball, quintain, fascination, inspiration, and the marble game.

185. Thirst the Cause of Much Poverty. Thousands of persons every day come to poverty and remain in poverty through squandering their earnings or allowances by pouring down their throats valueless and oftentimes harmful liquids. Many boys and girls acquire a habit of frequently drinking soda pop, which is little more than colored water. Instead of drinking a glass of milk or pure orange juice, which has real food value, they pay an equivalent price for a so-called soft drink, which in many cases has a very harmful effect on the lining of the stomach, and later may cause serious disorders resulting in much suffering and doctor bills. Since the repeal of prohibition, many men and women spend money for intoxicating liquors instead of buying food and clothing or paying their honest debts. We are not here concerned with any moral or religious question concerning liquor and its effect on the human system, but with showing how stupid it is to pay as much as eight dollars a quart for something that it cost only a few cents to manufacture—something which cannot help us in any way on the journey of life, except, perhaps, in rare cases when taken under the direction of the family physician. For many men it requires one whole hour of hard labor to earn

fifty cents, and less than one whole minute to gulp down that fifty cents in the form of the so-called "fancy drink."

186. Fraudulent Liquor. Those who are in the liquor business admit that nearly all intoxicants now on the market are raw and unfit for human consumption, if not fraudulent. They also admit that it will be a long time before these conditions can be changed. Old well-known brands, that might have been pure in pre-prohibition days, have been so imitated in bottles and labels that there is no incentive for any firm to try to market a high-grade product. While the federal government recently has enacted laws requiring that all intoxicating liquors be correctly labeled, very little money has been appropriated by the government for enforcing these laws. All that a manufacturer has to do to get around the law is to label his product a blend. Anything can be a blend. In blending whiskey, the makers may distribute one-half pint of real liquor into six quart bottles. The bottles are then filled with raw alcohol, water, and prune juice, the latter intended to give flavor. Such a blend, costing about thirty-two cents a gallon to produce, is sold to poor and unsuspecting people at as much as four dollars a quart. In many cases, it is not even a quart, but what is known in the trade as a fifth (five quarts instead of four to a gallon), thus squeezing the last penny of profit out of the consumers.

187. Liquor and Gambling Are Pals. These two poverty makers are usually found together. However, it is a well-known fact that the most expert bartenders and the most professional gamblers never drink intoxicants. They know better. In order to handle properly a "drunk," or to walk away with the winnings of an evening, the bartender and gambler must have clear heads. Poverty is not the only thing that goes with liquor and gambling. Most of the serious automobile accidents now

are the results of brains befuddled by drink. Gamblers have acquired a technique in "bumping off" those who may be too lucky; even a man's best friend may become his worst enemy after an unusually heavy loss in a game



Gambling and Liquor are pals, and they usually work hand in hand.

of chance. Although a white gambler never squeals when he loses, there are more yellow gamblers than white ones. A lucky novice never knows when he is going to be slugged during the darkness of night.

188. Dope Soon Leads to Graveyard. It is a well-known fact that more lives are wasted quickly by nar-

cotics than by any other cause. Dope peddlers are getting rich through the system they have devised for getting young people, especially, into their clutches. A part of this system is to give away dope (which is very expensive) to boys and girls, knowing that, as soon as the appetite for it is once created, these young people will become regular customers and stop at nothing in order to get the money to buy it. Another part of the system brings the dope peddler into social functions where he may jab his deadly needle into the arms of the guests. This act is done so skillfully that the victim is scarcely aware of what is happening. A single shot in the arm may be sufficient to start a habit. The dope habit, when once started, grows with lightning-like rapidity, and it is seldom that science can do anything to cure it. Many of the most brilliant movie stars have passed out in the bloom of youth after all that money and medical science could do to cure them of the deadly dope habit. This habit can result in nothing but degradation and an un-

timely death. The skunk, jackal, and weasel are desirable companions compared to the dope peddler.

189. Social Value of Thrift. Your town can be no better than the individuals who live in it. If the majority of the individuals are of the wasteful class, then the expenses of your town will be unnecessarily great, and the taxes which your parents pay must be accordingly high. On the other hand, if the majority of citizens are thrifty and not inclined to keep up with the Joneses of a nearby town having more resources, then your parents will have lower taxes with more money to spend for personal use. In a few more years you will be old enough to vote, and then you can take an active part in the prevention of waste in public spending. *Right* now is the time to form *right* habits in your private spending and living.



When a young man starts out in the world begging his way, he is likely to depend upon charity the rest of his life.

Questions on the Text

Sec. 164. What are the two branches of the first fork of the road called the Journey of Life? What may our choice of these branches mean to us?

Sec. 165. What two classes are found among: Well-to-do people, and poor people? In what ways are some people thrifty and others lazy?

Sec. 166. What is the meaning of thrift? Why should waste be banished in this country? What is each person's duty in regard to waste? Who pays for waste?

Sec. 167. Why is it dangerous to buy cheap foods? What is the danger in going without lunch in order to buy luxuries? What should we look out for in buying food?

Sec. 168. What is one of the most costly habits that a person may acquire? Give two or three examples illustrating how carelessness may result in waste.

Sec. 169. What three items make up the largest part of necessary living costs? Which of these three costs the most? What is the danger in economizing on food? What part of one's income is usually spent for shelter? Why do some people spend more than others? What is real economy?

Sec. 170. Why is it more necessary now than formerly that firms avoid waste? Give examples that illustrate how the contractor, tailor, office worker, and householder may avoid waste.

Sec. 171. What does a thrifty person do about taking advantage of discounts? Illustrate how discount for cash in a gas bill is really a penalty for slow payment.

Sec. 172. Which are the most common forms of waste? Explain how waste of time, energy, or materials is really a waste of money. How can one acquire the habit of thrift?

Sec. 173. Why is waste of time the most destructive kind of waste? When can anything be said to be wasted? How much an hour is a housewife's time worth? Into what three parts should our time be divided? Why is sleep beneficial? When is it a waste of time? What habit do time-wasters often have?

Sec. 174. Besides time, what can be so easily wasted that we hardly notice it? Why should one have a surplus supply of energy upon which to draw? How is energy wasted? What sort of people waste energy?

Sec. 175. When should we begin the habit of not wasting materials? Who usually wastes more materials, wealthy people or poor people? Give some examples of how poor people waste materials. Why shouldn't we waste other people's materials? Who pays for the materials that pupils waste in school?

Sec. 176. Why is the waste of public money more noticeable than the waste of private money? Give some instance to prove that it is difficult to know when money is being wasted. Give some examples of waste of money. What does Henry Ford say about the use of money?

Sec. 177. Give five or six examples of how money is wasted in using an automobile. About how much does it cost to drive an automobile?

Sec. 178. Explain how much, how often, or what varieties of the following foods should be eaten: milk; vegetables; fruit; cereals, including bread; butter; meat, fish, eggs, or cheese.

Sec. 179. Tell how each one-fifth of our food-money should be spent.

Sec. 180. Upon what does the cost of one's clothing depend? What are some ways of saving money on the cost of clothes?

Sec. 181. Why are some people well-to-do while others are penniless? What will cause a person to become dependent upon friends, relatives, or charity for support?

Sec. 182. Why do people gamble? Why doesn't gambling create wealth? What is the reason that there is little "pure gambling" today? How does gambling hurt business?

Sec. 183. Why is it especially dangerous for young people to gamble? Why do the families of gamblers often suffer? Why are gamblers usually in debt?

Sec. 184. What fraudulent gambling devices are often used? What per cent of the winnings do high-class gambling casinos keep? Why aren't minors welcome in these establishments?

Why is it poor business to play slot machines? What games of chance are nothing less than highway robbery?

Sec. 185. Why is it foolish to spend money for soda pop and other soft drinks? Why is it stupid to spend one's money for intoxicating liquors?

Sec. 186. Explain why there is so much fraudulent liquor on the market.

Sec. 187. What two poverty-makers are usually found together? Why do not expert bartenders and professional gamblers drink intoxicating liquors? Name some dangers connected with the drinking of intoxicating liquors.

Sec. 188. Why are dope peddlers willing to give away expensive dope to boys and girls? Why is the dope habit so dangerous?

Sec. 189. Why is it a disadvantage to live in a town where people are wasteful?

For Class Discussion

Sec. 164-165. What do thrift and energy have to do with keeping us on Prosperity Boulevard instead of on Poverty Lane in the journey of life?

Sec. 166. What are some of the forms of waste that should be banished in this country? How can this be accomplished?

Sec. 167. Why is eating poor food or going without food false thrift?

Sec. 168. Give some examples of waste that are due to carelessness and the purchase of goods of poor quality.

Sec. 169. What sort of economy is it wise to practice in the purchase of food and shelter?

Sec. 170. Explain how a small item of waste in manufacturing an article might cause a firm to fail if it is in competition with firms where items of waste are carefully watched.

Sec. 171. Explain why it is important for a business man to take advantage of discounts. Give instances of how your parents or someone you know has saved money by paying cash instead of buying on time.

Sec. 172. Explain why real thrift is an art that must be practiced a long time before it can be acquired.

Sec. 173. Describe what you consider waste of time.

Sec. 174. Describe what you mean by waste of energy. A baby is usually very active. Is this waste of energy? Who is responsible for more progress in the world, the energetic person who always does things the hardest way, or the person who is always looking for the easiest way to do things?

Sec. 175. What is the biggest objection to the wasting of materials?

Sec. 176. Name as many ways as you can in which money is wasted. Why shouldn't money be wasted?

Sec. 177. Name as many wastes as you can that may be caused by using and owning an automobile.

Sec. 178-179. Why do we need the variety of foods mentioned in these paragraphs? What do you think would happen to a person if he tried to live on only one or two things, for instance, bread and meat?

Sec. 180. In what ways can one be thrifty in buying and caring for his clothes?

Sec. 181. Some people who have had steady employment at good wages for years are almost penniless, while others are living comfortably and have money in the bank. Aside from a sudden stroke of misfortune, what are some of the reasons for this?

Sec. 182-184. From a dollar-and-cents standpoint, why doesn't it pay to gamble? From a habit-forming standpoint, why doesn't it pay to gamble? Even in high-class gambling establishments, the devices are so fixed that the patrons have less than one chance of winning out of three. How does this explain that when a person gambles long enough he is bound to lose? Why do practically all gamblers die poor? Why does a bonding company, before furnishing a fidelity bond, ask the applicant whether he gambles?

Sec. 185-188. Give two objections to the use of soft drinks. Why do business concerns refuse to place heavy drinkers in positions of trust? Why do they refuse to hire users of dope?

Give as many reasons as you can why a young person should not use intoxicating liquor or allow anyone to persuade him to touch dope.

Sec. 189. Why could all of us have more, if everybody in the United States would be thrifty and industrious?

Thought Questions and Problems

Sec. 164-165. What are some of the things a young person does that make it possible to tell whether he is likely to be poor or well-to-do when he grows up?

Sec. 166. Explain why this is true: "Everything that is wasted by *part* of the people must be paid for by *all* the people."

Sec. 167. Give some examples of what may be called false thrift.

Sec. 168. Give some common examples of how carelessness causes waste.

Sec. 171. Mr. Roe wishes to buy a radio. The one he wants is offered to him for \$50 cash, or \$10 a month for six months if he buys it on time. He claims that the extra \$10, which it would cost him to buy it on time, amounts to 80 per cent interest on the average amount of money that is due the radio company during the time he is paying for it. Prove or disprove Mr. Roe's claim.

Sec. 172. It is a common saying that a poor European family can live on what a middle-class American family throws away. How do they live so much more cheaply than we do?

Sec. 173-174. Explain when each of the following is a waste of time or energy: playing, sleeping, talking with friends, just doing nothing, playing bridge, and going to a picture show.

Sec. 175. Watch carefully for two or three days at school, on the street, at home, or wherever you happen to be, and make a list of the materials you see that have been wasted.

Sec. 176. Talk with your parents or with other grown-up people and ask them to give you instances of what they consider waste of public money or property. What are the most common ways in which the average person wastes money?

Sec. 177. Do you know any person who has kept a complete record of his automobile expenses from the time he bought it until he sold it? This record should include what the machine cost minus what it was sold for, and the cost of gasoline, tires, oil, lubrication, repairs, and everything else paid out for the car. If you know of such a person and can get his figures, divide the total cost by the total mileage, and see what it cost him per mile to run the car. Why do you think so many people drive their automobiles to school or to work, when they could save money by walking or taking the street car or bus?

Sec. 178-179. Name what you consider the most common mistakes people make in choosing and eating their food.

Sec. 180. A certain writer claims that no one should ever buy clothes on the instalment plan. He argues that if a person can't afford to pay cash for his clothes, he certainly can't afford the higher price a credit house must charge in order to earn interest on the large amount of money people owe and to make up for the money lost on bad accounts. Why do you think the writer right or wrong? Under what circumstances should a person buy high-priced clothes?

Sec. 181. What do you consider the chief cause of poverty?

Sec. 182-184. Give as many arguments as you can against gambling.

Sec. 185. Give as many arguments as you can against the use of intoxicating liquor.

Sec. 186. What steps do you think can be taken to stamp out the dope evil?

Sec. 187. Write a discussion on the "Social Value of Thrift."

Word Study for Chapter VIII

SECTION

191. **Medium**—that through or by which a thing is done; means; that which lies in the middle.
192. **Antique**—something very old; a relic.
193. **Detect**—discover; find out; uncover; reveal.
Commodities—goods; merchandise; all movable objects, except animals, that are bought or sold.
194. **Conserve**—protect; save; uphold; preserve.
195. **Established**—fixed; settled; permanent.
Wary—watchful; careful; cautious; heedful.
Bona fide (bō'na fī'dē)—in good faith; without fraud.
Domineering—bullying; dictating; lording; swaggering.
Compunction—regret; remorse; penitence.
Notoriety—fame, resulting usually from wrongdoing.
196. **Cosmetics**—preparations for external (outside) use intended to beautify the complexion, hair, or hands.
197. **Fraudulent**—dishonest; cheating; deceiving.
Unscrupulous—not caring what is right or proper; unprincipled.
Reputable—having a good reputation; respectable.
198. **Cellophane**—a thin, transparent fabric made from wood pulp, cotton lints, etc. It is grease and air-proof.
Remedial—healing; curing.
199. **Sear**—burn; wither.
Antiseptic—preventing the formation of pus by destroying the growth of bacteria, or disease germs, that cause the pus.
Disinfectant—something which prevents infection or stops the spread of disease germs.
Profusely—freely; extravagantly; liberally; wastefully.
Adulteration—mixed with a cheaper substance.
Falsifier—liar; deceiver; counterfeiter; forger.
Germicidal—destroyer, or killer, of germs.

200. **Deterioration**—decay; grown worse in quality or value.
Dissolution—separated or broken up into its parts; destruction; death.
Avarice—a greedy or excessive desire for gain; miserliness.
Palatable—pleasing or agreeable to the taste.
Vendor—one who sells.
202. **Variation**—change; variety.
204. **Chicanery**—trickery; deceit; sharp practice.
Flush—to cause a bird to start up and fly.
Awed—filled with great fear, dread, terror, or reverence.
211. **Credulous**—easily imposed upon or fooled; simple.
Ingredients—the parts, things, or elements of which something is made.
213. **Base**—foundation; groundwork; main part of thing.
Lotion—a liquid medicine for outward application on the face or body.
Astringent—a medicine that produces a drawing together or tightening of the tissues.
214. **Zinc oxide**—a white powder obtained when zinc is burned.
Zinc stearate—a white, healing substance obtained by treating zinc with acid.
215. **Ineffective**—having no effect; not active.

Pretest for Chapter VIII

1. The early settlers of our country had little need of money because they exchanged with each other produce and labor. Explain how the need of money increases as the standard of living rises.

2. What prevents the community in which you live from producing everything it uses?

3. Name the different kinds of money in use in this country today.

4. What is the chief purpose of money?

5. What determines the value of any article?

6. How many different qualities are there in most articles?

7. When people buy eyeglasses, books, or circus tickets, what are they really buying?

8. Give any rules you may have for getting your money's worth when you spend money.

9. If there were no such thing as advertising, might this country be better off or worse off than it is?

10. How does the advertising of goods sold at cut rates influence your spending?

11. Many people pay too much for the things they buy at auction sales. What articles do you feel able to judge as to real value at an auction?

12. Explain some humbug, swindle, or racket that you have observed or heard about.

13. What should a person know in order to buy, without wasting money, one of the following articles: cosmetics, oil, or gasoline?

14. A person's skin is supposed to breathe through the pores. Do you think that cold cream spread over the face helps the skin to breathe?

15. Is a high-priced article always better than a low-priced article?

16. What are some objections to mail-order buying?

17. What is one way to make one dollar do the work of two?

18. What are some of the dangers for which a person in a strange city must look out?

19. When you take advantage of a bargain sale, how do you know that you are getting a bargain?

20. Name a number of articles which you think are easily adulterated.

CHAPTER VIII

GETTING THE MOST OUT OF SPENDING

190. **Why Everybody Wants Money.** Ask the average person what he wants most, and the reply in nearly every case will be, "Money." But this reply is true only for a moment. In the end it is not money that is wanted but something for which money can be exchanged. When a child says, "I want a dime," it means that the child has in mind ice cream or a toy which can be had in exchange for the dime. With the dime in hand, the child races to the nearest store to get rid of the money just as soon as possible. There are few thrills greater than the thrill of spending money and the acquiring of new or much-wanted things.



When a child says, "I want a dime," there is something else in his mind that he really wants.

In the early days of our country, it was possible for people to have a house and plenty of food and clothing with little or no money. A group of men would get together, cut down trees, and help each other to build houses of logs. When it came to food, perhaps one man would spend a day in killing game; another man might fish, and still another might put in his time picking berries or nuts. In the evening, perhaps while sitting around a camp fire, the three men might exchange their surplus so that each would have a portion of the other's food. This coöperative plan of living is, perhaps, the

most ideal method that man has devised. Unfortunately it cannot be kept in operation so easily after natural resources, such as lumber, wild game, fish, and fruit, are no longer free for the taking—and today very few natural resources are free. Then, too, man's wants have in-



Primitive men probably spent their evenings in trading their products. By the use of money, barter is no longer necessary; it is still practiced to quite an extent, however, in some communities.

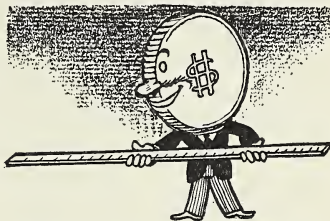
increased enormously since the early days. No longer is he content with only a house, food, and clothing. Today man has learned the pleasure of disposing of his own products in far-off lands for luxuries produced by other men in distant places.

191. Exchange Calls for Money. Certain parts of our country are ideal

for growing things, while other parts have poor soil for growing crops, but have natural resources, such as coal, iron, lumber, or oil, which make the locality ideal for manufacturing purposes. The people living in the South can grow cotton for the entire country; the people living in the North can make machines and weave the cotton into clothing with which everyone in the country may be clothed. One section of the country may be good only for growing wheat, oats, or other cereals, while another section may not be able to grow any of these foods, but can grow oranges, lemons, pineapples, or fresh vegetables. The problem for the people in each section then is to exchange what they produce for the things that they want but cannot produce.

It is at this point that money is necessary to carry out the exchange. The wheat growers may not need oranges at the same time the orange growers need wheat. It is necessary, then, to have some article, which everyone

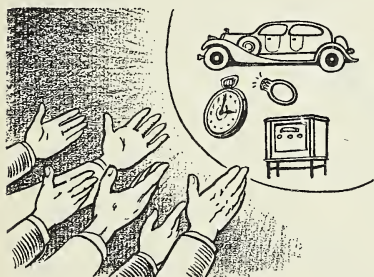
can recognize as a standard of value, to substitute for the things exchanged. This article should be one that takes up little room, does not rust, and can be easily shipped from one part of the country to another. Until recently, gold and silver have been used for this purpose, but all the gold is now held by the government, silver and currency (paper money) being the only mediums of exchange. The government has decided that there shall be



Without the dollar, it would be difficult to measure the value of anything.

so many grains of silver in a silver dollar and so many grains of gold in a gold dollar, but gold dollars are no longer coined. For everything that is grown or made in this country, and for all labor performed, the dollar is used as a yardstick to measure value.

192. What Fixes Values. To an individual, value is measured only by the satisfaction that he can derive from



The value of anything is measured by the number of people who want it and are able to pay for it.

the possession of an article. This is the only true measure of value. A book for which one person is willing to exchange two dollars might not be attractive enough to some other person to cause him to part with twenty-five cents. An antique might easily be valued at \$100.00 by a lover

of old and rare things, while many other persons would not carry the antique home if it were given to

them. What it costs to produce, transport, and sell an article may affect its price but has nothing to do with its real value. The value of any article is determined by the number of persons who want it and are willing to part with a certain amount of their money in order to get it. When everyone ceases to want a particular article, right then that article becomes valueless, no matter how much it has cost somebody to produce it. People's wants keep changing constantly, and sometimes last only a few months. It is astonishing how all people are inclined to want the same thing at the same time, and it is just as astonishing how all people can quit wanting the same thing at about the same time.

193. Quality Governs Price. As stated in Chapter II, everything in the world differs in quality or grade: trees, metals, stones, foodstuffs, waters, animals, or human

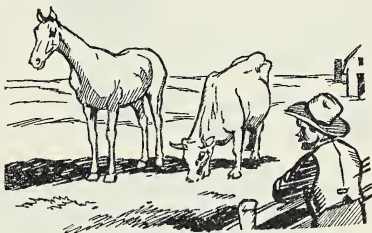


Always ask the price when buying, whether it be for a basket of berries, a repair job, or a hotel room.

beings. Usually there are three grades: high, medium, and low. High grades are scarcest and very desirable; consequently they are highest in price. Low grades are plentiful; hence they are the lowest in price. It is plain then that if one is to buy at the right price, he must be able to recognize the three grades. With

some articles, no skill is required to fix quality or grade, while with other articles, only an expert of long experience can detect the grading. Almost anyone can look at fowls or baskets of berries and instantly grade them, but to grade properly the quality in a cow or a hide of leather requires more knowledge of animals than the average person possesses. Persons who are engaged in buying articles to

resell make it their business to learn quality; if they don't, they are not in business very long. It is the consumer, the person who buys things to eat or use up, who lacks the necessary knowledge to grade articles properly. It is easy for the merchant handling one line of merchandise to become expert in grading the things which he sells, because there are but few commodities to learn about. But the consumer buys hundreds of various articles, many only once, and it would require a lifetime for him to learn the three grades of all the things he buys from time to time. How then can the consumer buy intelligently? Only by a constant study of values and prices of things he buys.



To grade properly the quality in a cow or a hide of leather requires more knowledge of animals than the average person possesses.

194. **What We Want When We Buy.** Satis-

faction of a want should be our only reason for buying anything. We don't want a paper; we want news. We don't want glasses; we want vision. We don't want a circus ticket; we want thrills. We don't want an awning; we want shade. So the entire art of buying right must be considered in terms of the satisfaction or enjoyment that we obtain from the article bought.

After we clearly understand the meaning of value, we should next understand the meaning of price. The price of anything is fixed by two considerations: first, the scarcity of the article; and second, the amount of money that people are willing to exchange for the article. Some articles, such as radium, are so scarce that the price has to be extremely high in order to conserve the small supply. People are not usually wasteful of anything that costs a lot of money. Every article seeks its own level,

like water. There is always a price beyond which most people will not go; and there is always a substitute or some way of getting along without any particular thing if the price gets too high. A man may be willing to pay \$4 or \$5 a month for electric light, but if the price should



When the price of any commodity becomes unreasonably high, customers will resort to some form of substitute, or perhaps do without.

go to \$25 a month, he would resort to coal-oil lamps or tallow candles, or go to bed before dark. Sellers mark the price of an article at the most they think the traffic will bear. This means the highest price that people are likely to pay. Sellers mention "regular price" or "former price," which to a buyer should mean nothing.

There is no regular price for anything; even postage keeps constantly changing in price. Former price is the price people might have paid at one time but will no longer pay.

195. Rules For Buying. Until our government offers the same help to buyers as it does to sellers, the consumer, in his buying, will have to apply the best rules available if he is to get his money's worth. There are a few safe rules which, if followed, will save hundreds of dollars to consumers during a lifetime.

1. Let no one tell you what to buy. Know what and how much you want, and what you are willing to spend for it.

2. Always ask the price, whether it be for a basket of fruit or a hotel room.

3. Deal with an established seller. Beware of the seller who has only a post-office box number, or of a product

which does not bear the name and street address of the maker.

4. Be wary of bargain sales. There are many varieties of bargain sales: annual, semi-annual, summer, winter, spring, fall, before-inventory, after-inventory, jubilee, birthday, and store-wide sales. Not all of them are bona fide.

5. Study labels carefully. High-grade articles usually have expensively-made and attractive labels; inferior articles have cheap labels or none at all.

6. Laugh at the prize contests. Entire pages of newspaper and magazine advertising are devoted to puzzle contests. These puzzles are so simple that no one less than a nit-wit could help but solve them in a moment or two. You are told that it is easy for you to get a \$1,000 prize simply by solving the puzzle, and an extra \$500 for being prompt in sending in your solution. United



*Be wary of bargain sales.
Lookout for substitutes.
Never be afraid to say "No."
Don't be sold over telephone.*

Perhaps the most difficult art in this world for the average person to learn is the art of intelligent buying.

States manufacturers spent more than 100 million dollars last year promoting prize contests, about three per cent of that sum going for the prizes themselves. Prizes must be bought and paid for by consumers. No one in this world is giving away value for nothing.

7. Never be afraid to say "No." Remember that the money in your pocket belongs to you until you are willing to part with it. Some salesmen are trained to be domineering, and one must either rebuke or ignore them. They thrive on weak-kneed customers.

8. Don't let anyone sell you something over the telephone. Sellers with a proposition lacking in merit often

use the telephone for making sales. Nothing is more unreasonable than to expect a stranger to part with his money for something about which he has had only a telephone conversation.

9. Learn to shop around. No firm, no matter how large, can have a monopoly of all the good things in any line. Sellers who specialize in one article usually become more expert in producing that one article than do sellers who have many articles to think about. The buyer who keeps uppermost in his mind that he does not have to take the first article offered, pay the first price named, or meet the first terms asked, can save much money.

10. Throw responsibility on the seller. When buying merchandise of which you are no judge as to quality and price, it pays always to let the seller know that you are depending entirely upon his advice. If he values your patronage, he cannot afford to advise you wrongly. The seller feels less compunction or guilt when the buyer does his own selecting. Good and poor articles frequently are intermingled.

11. Get testimonials or recommendations from users whom you know. Advertisements containing glowing testimonials from persons failing to give town and street addresses are usually bought by advertisers. For a little cash as an inducement, moving picture stars, singers, artists, or supposed social lights—everybody enjoying a little passing fame or notoriety—is bribed into speaking well of a product.

12. Look out for substitutes. Many sellers carry only inferior grades because these offer the most profit. Even when dealers carry the article for which you call, they often suggest that you try another brand—one which gives them a larger margin of profit. Frequently the article that the salesperson urges you to buy is the very article you should not buy. There has seldom been a good

article made that has not been followed by a cheap and inferior imitation. Though substitutes must be declared such on the labels of packaged ice cream and beverages, consumers rarely read the labels. Packages marked "blended" should always indicate the exact proportion of each grade making up the blend.

196. Advertising and Selling. Advertising within the last thirty years has been largely responsible for the great strides that business, industry, and commerce have experienced; but like gunpowder or poison, which are also useful things, it is the abuse of advertising which has brought people to grief.

No one who uses gunpowder or poisons correctly will come to any harm. Correct advertising is beneficial to everyone, while false and misleading advertising is harmful to all. It would be a liberal estimate to say that only 25 per cent of the business transacted in our country each day is done as the re-



The man who knows his business can use poison, gunpowder, acids, or even advertising, without doing any harm.

sult of natural demand. The other 75 per cent is done as the result of advertising or salesmanship in one form or another. According to some authorities, it is on this 75 per cent of advertising that the welfare of the country depends. Constant advertising of the virtues and qualities of all foods, drugs, cosmetics, non-alcoholic and non-intoxicating beverages, etc., brings the products before the consuming public and induces people to purchase, whether they need the products or not.

197. Fraudulent Advertising. Only a short time ago, the late William E. Humphrey of the Federal Trade Commission, estimated that there are at least 1,000 adver-

tisers of fraudulent schemes now operating regularly with the aid of certain newspapers and magazines throughout the country. In one publication alone, he found no less than fifty different advertisements which he considered safe to call illegal. Mr. Humphrey con-



When people are sick they are inclined to have faith in anything that might help them. Fakirs have learned to take advantage of this fact.

tended that the annual loss to consumers through false, misleading, or exaggerated advertising runs into hundreds of millions of dollars. Unfortunately there are many unscrupulous or dishonest advertisers and publishers who still print any advertising copy for which they are paid. Laws are needed to restrain and punish such unscrupulous advertisers and publishers in order to protect reputable advertis-

ers and publishers as well as the general public. *All advertising copy should be reliable news.* The New York Times, one of the greatest newspapers in the world, has for its slogan: "All the news that's fit to print." This newspaper lives up to this high standard and has prospered.

198. Dangerous Frauds in Foods and Drugs. In a speech before the House of Representatives on March 6, 1934, the Hon. William I. Sirovich called attention to "What Every American Should Know About Foods, Drugs, Cosmetics, and Beverages," as follows:

"First, we have two boxes of egg noodles, one in clear cellophane and the other in gold-colored cellophane. Both samples are the same, but the one in the gold-colored container appears as if it were heavily loaded with eggs. This is fraud because it fools people.

“Here is a preparation called _____ which is supposed to improve women’s eyelashes. This made one woman blind. Here is another preparation that is made from a rank weed, called horsetail; it has no remedial value, but it is advertised to cure a dozen diseases including diabetes. Here

is a concoction called

_____ for which

it is claimed that it

‘can be used’ for rheu-

matism, neuralgia,

bronchitis, colds, kid-

ney trouble, and a long

list of diseases. It can

‘be used,’ but it is use-

less. Here is one adver-

tisement of yeast which claims that it will make a woman

grow thin, and another advertisement of yeast which

claims that it will make a woman grow fat. Can anyone

imagine one kind of yeast making fat women thin, and

another making thin women fat?”



Advertisers tell us that the same brand of yeast will make us thin or fat—and there is a brand of coffee which will make you sleep or keep you awake—whichever way we want to be.

199. **Other Frauds.** Mr. Sirovich calls attention to other frauds as follows:

“A product, called _____, is sold for the purpose of removing needless hair: Over two and a half million dollars in damages were asked for in suits brought against the woman who made and sold this product, and she is now bankrupt; but the product is still being sold to ruin and sear thousands of unfortunate people who buy this preparation. Another so-called remedy, the king fraud of them all, was called _____. This fraud began as a horse liniment and was used only for horses. Now it is advertised everywhere to cure tuberculosis, pneumonia, bronchitis, blood poisoning, asthma, heart trouble, and every disease to which mortal flesh is heir. Here are some bottles. This one is a genuine three-ounce

bottle. This one seems larger, but it is not. It is a two-ounce bottle. It is made taller and thinner. Here is another fake bottle. The glass side walls are so close together that this bottle holds only three-quarters of an



"Make it appear big, and you can sell it," is an old business axiom—and many persons buy books on the basis of the amount of paper contained in them.

ounce instead of the pretended two ounces. Certain so-called antiseptic and disinfectant solutions, profusely advertised as being able within fifteen seconds to kill every form of bacteria harmful to human beings, have been proved to be so weak that germs actually thrive in the solutions. In a series of tests of twenty-one such solutions,

it was discovered that only the weakest germs were killed after fifteen minutes to an hour, instead of instantly, as advertised.

"The adulteration of food is not a new racket. It has been practiced by people since the start of recorded time. It is referred to several times in the Bible. Amongst the ancient Athenians a row was raised during the building of the Parthenon by the working men because their wine was being adulterated. A special wine inspector was appointed by the government to catch these adulterators. In 1842 a wine falsifier of Germany was forced to drink six quarts of his own vintage, from the effects of which he died. Nearly everyone is familiar with the screaming advertisements through radio, newspapers, magazines, periodicals, billboards, of great and powerful germicidal and antiseptic powers of well-known tooth pastes and preparations. The chief chemical used in forming one of these tooth pastes is so poisonous that a German officer committed suicide by swallowing the contents of one tube of it."

200. Beware of Cheap Foods. "Nature does not produce all of our food products the same everywhere; neither is all food of the best quality. All fruits that are grown are not of the highest standard. All vegetables that Mother Earth brings forth are not of the finest quality. All meat products that are offered to the public do not come from the choicest animals. If the food products we produce are not consumed as time rolls by, nature through decay takes her toll on these animal and vegetable products. When deterioration and decay set in, the stages of rottenness and dissolution arrive. The wholesomeness and real value of the food has been destroyed. In this condition food substance is unfit for human consumption. Because of greed and avarice, some sellers actually embalm this animal and vegetable material by using chemical preservatives and coloring matter to make these decomposing foods appear wholesome, palatable, fresh, and nutritious. Why does not the government prevent vendors from selling food unfit for human consumption? The answer is that, during the year 1934, the government appropriated only one cent for each person toward the enforcement of the pure food and drug laws throughout the entire United States. For the entire 48 states there are provided only 76 inspectors of food and drugs. California, for example, has 4 inspectors, which is more than any other state except New York. Imagine how much inspecting 4 men can do in an entire state."*

201. Tricks of the Trade. Many sellers spend most of their time planning how to fool the public. Shrewd buyers soon learn the tricks of the trade. This keeps sellers always on their toes planning new schemes. Recently an advertisement told of a radio that was for sale at "\$2 down and \$2 a week." Investigation showed that the

*End of quotation from Congressional Record.

machine was a cheap grade of the kind advertised; the cabinet was a rank imitation. The name plate had been removed from the machine and placed on the outside of



It pays to buy goods from your local dealer. When an article is unsatisfactory, he is right there to make it satisfactory.

the cabinet. The investigator found that \$2 down meant only that the machine would be held for him. He was told that he must pay \$10 before securing possession of it. Player pianos of discontinued designs were offered for \$95—"regular price," \$650. The investigator found that the instruments were in bad mechanical condition and more than 25 years old. The advertisement was

merely a bait to get customers into the store and then sell them other instruments at higher prices. This same investigator found leather belts stamped "Genuine Cow-hide" or "Calf" that were lined with sheep, and various other kinds of sales that contained only a few articles of the high grade advertised, all the rest being taken from regular stock and sold without any reduction at all.

202. Beware of Cut Rates. Every seller knows that nothing attracts buyers more



These old gags have been used on the public for fifty years, and some people still believe in them.

quickly than what appears to be reduced prices, and every effort is made to make prices appear lower than they are in other stores, whether they really are or not. Cut-rate signs

are used for this purpose. Most retailers are compelled to pay practically the same price for identical articles, and most stores have much the same operating expense; hence, there should be very little variation in selling prices. When a merchant does make a lucky purchase or is able to reduce his expenses slightly under those of another merchant, it is only natural that he should pocket this saving himself instead of giving it away. Today the tendency is to increase the sales of an article by cutting the price a trifle when a large quantity is sold. This is fair enough, but it may be poor economy for a buyer to purchase a year's supply of anything just to save a few cents, just as it is poor economy to run to the store for daily needs when a week's or a month's supply can be had at a saving. Small packages of any article usually are very expensive, compared with the cost of large packages.

203. Auction Sales Dangerous. Very few persons are skillful enough to buy to advantage at an auction sale. This is because most people do not know values, especially the value of second-hand goods. Anything sold at auction requires spot cash with no privilege of return. At nearly all auctions of household goods, most articles sell for as much, or more, than the same articles cost when new. Auctioneers frequently bring in some outside furniture when they sell furnishings in homes. The result of this practice is that persons buying at auction frequently purchase articles brought in by the auctioneer, the buyer believing them to be the property of some former wealthy or celebrated person whose belongings are being put under the



Buying anything at an auction is risky business for anyone except an expert.

hammer. Thus the auctioneer gets a high price for an ordinary article. This practice is known as stuffing.

204. **Chicanery and How It Works.** Not many years ago, hunting wild game and fishing were considered good sports. No real sportsman would think of shooting a covey of birds without first flushing them, nor would he think of firing at a rabbit except when it was on the run. The real fisherman put a nice, live, fat worm on the hook and gave the fish an even break. As men grew more cunning, they grew more greedy, and these primitive



He is a poor sportsman who sneaks up on animals while they are asleep. A good sportsman gives them a fair chance and makes no complaint when he loses.

methods came to be considered too slow and consequently were abandoned with the result that today there is little sport left in this country. Instead of hunting, traps are laid so that wild animals may be caught while we sleep. Instead of using a hook and line to catch a single fish, dynamite has been used to take out all the fish at a single shot.

The same principle has been creeping into our social life. Thousands of men all over the country lie awake nights figuring out traps and new forms of bait for catching unwary and uninformed people who have a little money. Not many years ago, the hayseed from the country was the only prey for shysters, but our country cousins are no longer hayseeds, thanks to the automobile, radio, and telephone. The trickster now finds his most fertile field among city folks. The former belief that only country people were easy marks has proved a myth. Today the greatest number of easily-fooled people is found in the large cities, and there is where the confidence

men do most of their work. Most of us feel quite capable of taking care of ourselves when on home ground, but the moment we get into a strange place, we seem to lose much of our self-control. We feel awed and quickly accept help from anyone who seems interested in us. Experienced travelers have learned that well-meaning people do not become too intimate with strangers; it is not good etiquette, at any rate.

205. Confidence Men Always at Work. It would be of little value to know all the old tricks that have been used to humbug people, because new tricks are being invented every day. Many young persons now in school have never heard of the "gold brick," the "lost pocket-book," the "charity racket" and many other decoys of the past which are still in use today. Experienced travelers have no trouble in spotting a confidence man on first sight. Very few sharpers work alone; they usually have a pal who poses as a chance acquaintance just happening along at the moment. Human parasites require constant vigilance.



Sharpers know that the younger generation has never learned about the old tricks; hence these tricks are just as good today as they ever were.

206. How Shills Fool People. Shills are persons employed to pose as actual customers. Nearly all employment agencies now can furnish shills at standard prices, usually \$2.50 for six hours of work. At theatres shills go up to the box office, buy tickets, and go in and sit down for a minute; then they go out and do the same thing over again. At restaurants the shills go in, sit down and appear to be eating. Auction rooms use them to give an air of activity and excitement and often to bid things

up. Buses use shills to get crowds for sight-seeing trips to such places as Hollywood, Chinatown, or Coney Island. These shills, often elderly women, are the first to climb into the bus and give it the appearance of rapidly filling up. If they look bored at the proceedings, it's because they are not going on the trip but into another bus just



Shills are used in many lines of business to attract customers.

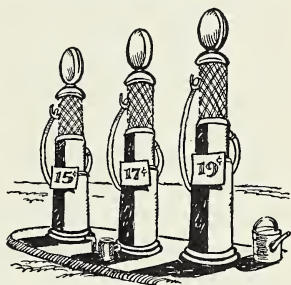
before the present one pulls out. Respectable old ladies are preferred as shills because they insure confidence in lone women and mothers with children.

207. Practical Economy for Young People. Since a large part of the money spent by boys is for automobile supplies, and a great part of the money

spent by girls goes into cosmetics, any knowledge that will help in getting more value for the money spent on automobile and facial upkeep should prove very useful. With the multitude of needs each of us has and the small amount of money available to purchase these needs, it is nothing short of folly to throw our money away on worthless merchandise, and yet it is safe to state, perhaps, that nearly every person who is spending money every day is squandering a portion of it.

208. The Three Grades of Gasoline. As in the case of other products, gasoline is offered in the three grades, high, medium, and low; and it is a wise buyer who is able to detect which grade he is getting or which grade he should get. Labels are often unreliable. The first grade is referred to as high octane and is the most expensive. It does not follow that this premium gasoline is the most economical, however. The chief advantage of premium gasoline is in its anti-knock quality. Motor knocking is

increased by too much carbon on the piston heads, and it is more economical to remove the carbon occasionally than to pay the extra cost of premium gasoline, which grade of gasoline gives no more power or mileage than the regular grade. Many large consumers and automotive engineers, who have access to expert technical knowledge, do not use the premium gasolines which cost usually two or three cents more a gallon. Good authorities state that the only advantage of leaded gasoline is in certain high-pressure engines under heavy driving conditions or when the carbon needs removing from the piston heads. The non-premium gasolines of some companies have been found to be more satisfactory for certain types of motors than the premium grades of other companies; the third-grade gasoline of some companies, which is usually two or three cents less than the regular grade, has been found to be as good as any for most motors. The best plan anyone can use is to experiment for himself with the three grades instead of believing what he sees or hears advertised.



The grade of gasoline one should use depends upon the type of motor in his automobile.

209. **Motor Oils.** The slogan, "The highest-priced article is always the cheapest in the end," may apply to most merchandise, but not to lubricating oils. Regardless of the tremendous over-supply of oil and the decline in prices of most other commodities, motor-oil prices have remained practically unchanged for many years. In a series of tests, experts have discovered that a fifteen-cent-per-quart oil tested better than one selling at thirty cents. It is claimed that nearly any low-priced oil, except perhaps reclaimed oil, is good enough for any car if the

proper weight or thickness is obtained. Not even expensive cars require expensive oils. In buying motor oils, it is necessary to know the proper weight or thickness for a particular car. A thick, heavy oil is said to be high in viscosity; a thin fast-flowing oil is said to be low in viscosity. Medium viscosity is of course between the two. These three weights are referred to as S.A.E.* 20, 30, and 40, or light, medium, and heavy. It is well to get the advice of the manufacturer of your car as to which weight should be used in it. Light oil is best for winter driving, for a brand-new car, or one in which recent adjustment of bearings has been made. For summer driving, or a badly-worn motor, heavier oil is better and more economical. Good oil cannot be detected by looking at it. Oils that have a dark or even dirty color may lubricate better than clear oils.

210. **A Common Myth.** A filling station attendant seldom knows more than his customers do about oil or when it should be changed in the crankcase. The attendant is chiefly interested in selling as much oil as possible. "You ought to have the crankcase drained and refilled," is his favorite expression. Recent tests now show that after the first 500-mile breaking-in period on a new car, and the same distance after a new ring or cylinder reboring job, the crankcase seldom needs to be drained, although some authorities recommend changing the oil once or twice a year. Especially is this true of the modern car with ventilated crankcase and oil filters. New oil should be added so that the oil level is always up to the "full" point on the gauge but never above that point. It is claimed to be a disadvantage instead of an advantage to wash out the crankcase with kerosene or slushing oil after draining. Measuring the oil before starting a car in the morning is very deceptive and may cause

*Society of Automotive Engineers, which established the viscosity standard.

waste. After the motor has warmed up, it usually shows considerably more oil in the crankcase than it does when cold. High-speed driving increases the oil and gasoline consumption greatly, and when traveling above forty miles per hour the motorist must expect to make more frequent stops for oil and fuel. Much money can be saved by buying oil in five-gallon cans or even in one-gallon cans. One great advantage of canned oil is that it is sealed at the refinery and cannot be adulterated before it is sold.

211. Buying Cosmetics. Cosmetics for improving woman's looks have had the keen attention of all races from the dawn of civilization throughout all ages. Perhaps in no other field of merchandising have there been so many frauds practiced on the credulous public as in the field of cosmetics. There is a certain amount of satisfaction in believing that so-called beautifiers are effective, whether they are or not. Deception has not had so much to do with staples, such as cold creams, face powders, rouge, and talcum powders, (because most people know the limits of these products,) as with the preparations which claim to cure skin trouble, whiten skin, remove wrinkles, "youthify," and make homely persons beautiful. These latter products almost certainly contain harmful ingredients and are useless for the purpose which they claim to serve.



Cosmetics for improving woman's looks have had the keen attention of all races since the dawn of civilization.

An attractive skin requires a healthy body. Skin foods are nothing more than "skin games." Blackheads are usually the result of an unclean skin, and pimples are the

result of an improper diet or body ailment; neither can be eliminated by any kind of a cream or lotion, no matter how expensive it may be.

212. Cleansing Creams. Cold creams, sometimes called cleansing creams, are made of vaseline, the chief value of which is as a softener for dry and rough skin. When used, cold cream should be applied after washing with mild soap and water. If smeared on a dirty face, it has a tendency to push the dirt deeper into the pores. It is worth noticing that when a physician cleans a spot on the arm before injecting a serum, he uses alcohol for cleansing the spot, not cold cream.

213. Foundation and Vanishing Creams. These creams have for the most of their base just plain toilet soap. Rubbing these creams on the face and then powdering is the same as soaping the face and not washing. The result tends to dry, and in some cases, irritate the skin. Many other special creams, lotions, washes, and oils, have no value except as lubricants when massaging the skin. In buying any cosmetic, care must be taken to see that it contains no carbolic acid. Authorities claim that carbolic acid, even in weak dilutions, may injure the skin and may poison the entire system. Some skins have large pores, and there are preparations on the market which claim to reduce these pores. These preparations are astringents and may do serious damage.

214. Talcum and Face Powders. These powders are made of talc, zinc oxide, zinc stearate, chalk, and perfume, sometimes adulterated with rice powder. The wholesale cost of pure talcum powder is about 20 cents a pound while the retail price runs as high as \$2.50 an ounce. Bath powders are practically the same as face powders, and great care must be used to keep either out of the mouth, nose, and eyes in order to avoid poisoning.

215. **Hair Dyes.** Perhaps more injuries have resulted from hair dyes than from any other cosmetic. Some skins are very easily poisoned. To be effective, a hair dye must be more or less poisonous. Vegetable dyes are harmless but ineffective. Before applying any dye, it is a good precaution to test it on the skin to see how sensitive the skin may be. Even dyed fur has caused serious injury to the neck of the wearer. Patent hair tonics contain little more than alcohol, and are ineffective and, sometimes, harmful. Daily rubbing of the scalp with the finger tips is more beneficial than any kind of a liquid tonic.

216. **First Cost Usually the Smallest.** In judging the cost of some articles, it is easy to be fooled by failing to consider the expense of upkeep or replacement of parts which wear out. Often this is the largest part of the cost. The upkeep of certain types of fancy shoes soon amounts to more than the original cost of the shoes. Some manufacturers make the original cost of a machine very low and figure on making most of the large profit on replaced parts which they know will soon be needed; or, they put a high price on the supplies which must be used with the machine.

217. **Flat Rate or Measured Service.** It is usually found to be poor economy to pay a flat rate for any service. With a flat rate, a person pays so much for service, regardless of the amount he uses. This makes for extravagant use, and, if a person happens to be really thrifty, he pays more than he should and helps to pay for services rendered to others who have extravagant habits. With measured service, one pays only for what one uses, and thus benefits by his prevention of waste. Suit-pressing clubs, auto-lubrication service, and in some places, the telephone, are examples of flat rate services.

218. **Local Buying Safest.** Unless one lives far away in the mountains or desert, there is very little need any

more for mail-order buying. No matter how reliable a mail-order house may be, there is nothing equal to personal examination of an article before buying, and local merchants are very liberal in allowing a customer to try out and bring back any article that may not be suitable for one's needs. For example, in buying a radio, it may work very satisfactorily at the mail-order house many miles away, but, when installed in one's home where conditions are entirely different, it may not work at all. If this radio is secured from a local merchant, it may be taken home and tried out before purchasing. The same might be said of refrigerators, vacuum cleaners, and other articles of household equipment.

219. Social Value of Good Buying. From the standpoint of society, it would seem to make little difference whether a person spends his money wisely or unwisely, since spending for anything provides labor for someone; however, when society is called upon to provide necessities for people who have spent a part of their money for non-necessities, or who are short of money because of unintelligent buying, then society is interested. It is too much to expect that charitable organizations or the government relief funds should be used for supplying funds to persons who do not know, or want to know, how to get full value for money spent, or to persons who want luxuries more than necessities.

Questions on the Text

Sec. 190. What does a person really mean when he says he wants money? How did the pioneers manage to get along with little or no money? Why is money more necessary now than in pioneer days?

Sec. 191. Explain why each section of the country cannot produce everything it needs. What problem arises from this state of affairs? Why does exchange of products among the different sections of the country make money necessary? What sort of material is desirable for money? What does this country use for money? By what are values measured?

Sec. 192. How does an individual measure value? Illustrate. Explain why values rise and fall.

Sec. 193. Generally speaking, what grades, or qualities are there in the animal, vegetable, and mineral kingdoms? Which is the scarcest grade? Which is the most plentiful grade? Explain why it is more difficult to judge the grade or quality of some articles than of others. Why is it important to be able to judge grade or quality?

Sec. 194. Explain and illustrate what we really want when we buy. What two conditions fix the price of things? What makes prices rise? What makes prices fall? How do sellers decide what price to charge for an article? Is there such a thing as a "regular" price for anything?

Sec. 195. Give the twelve rules for buying.

Sec. 196. In what ways has advertising both benefited and harmed our nation during the last thirty years? What part of this country's business is done as a result of advertising and salesmanship? Why is this fact important?

Sec. 197. According to Mr. Humphrey, about how many fraudulent advertisers are there? About how much do consumers lose annually through bad advertising? How might this loss be stopped?

Sec. 198-199. According to Representative Sirovich, what is misleading in the appearance or advertising of the following: Yellow cellophane wrapping for noodles? Glass bottles? Anti-septic solution? Tooth pastes? Yeast?

Sec. 200. What accounts for the difference in the quality of foods? What destroys the wholesomeness of foods? How do dishonest sellers make unwholesome food look fresh and palatable? Why does not the government stop this practice?

Sec. 201. Tell how the advertisers attempted to fool people in the cases of the radios, player pianos, and belts.

Sec. 202. Give some reasons why one should beware of articles sold at cut rates. When is it fair practice to cut the price of a thing a little?

Sec. 203. Why is it risky to buy at auction sales? Explain what is meant by stuffing at auction sales.

Sec. 204. What has spoiled the hunting and fishing sports in this country? Where do tricksters now find the most of their victims? How does a strange city sometimes affect one?

Sec. 205. How do confidence men, or sharpers, work?

Sec. 206. What are shills? How do they operate at theaters? at restaurants? at auctions? in sight-seeing buses?

Sec. 207. Why should knowledge of automobile supplies be helpful for boys, and knowledge of cosmetics be helpful for girls?

Sec. 208. What is first-grade gasoline sometimes called? What is the chief advantage of premium gasoline? When may premium gasoline be used to advantage? When may regular and third-grade gasoline be used? How can one tell which grade of gasoline to use?

Sec. 209. Why may it not be wise to buy the highest priced motor oil? Explain what is meant by viscosity in oil. How can one find out whether he should use light, medium, or heavy oil in his automobile? Can we tell good oil by its looks?

Sec. 210. When should the oil in the automobile crankcase be changed? At what level should the crankcase oil be kept? What effect does high-speed driving have upon the consumption of oil and gasoline? How may one save money in buying oil?

Sec. 211. What are cosmetics? In what field of cosmetics has fraud been practiced the most? What kind of cosmetics almost certainly contains harmful ingredients? What are the

common causes of blackheads and pimples? Can they be cured by creams and lotions?

Sec. 212. Of what are cleansing creams made? How should they be used?

Sec. 213. How should foundation and vanishing creams be used? In buying cosmetics, of what should one be careful? What is the danger in the use of preparations made to reduce the size of pores?

Sec. 214. Of what are talcum and face powders made? What is the difference between the cost and selling price of talcum and face powders?

Sec. 215. Why is it dangerous to use hair dyes? Why should one not use patent hair tonics?

Sec. 216. Explain why it is easy to be fooled by the "first cost" of articles.

Sec. 217. Explain why it is usually poor economy to pay a flat rate for any service.

Sec. 218. Why is local buying usually safe? Give illustrations.

Sec. 219. Why is society interested in having people know how to buy wisely?

For Class Discussion

Sec. 190. Why do people want money? Why did not the pioneers of early days use money instead of exchanging with one another their services and products?

Sec. 191. One section of the country grows a great deal of one thing; another section grows a great deal of something else; thousands of people are engaged in manufacturing and business, and grow nothing. Under these conditions, why would it be almost impossible for people to get necessary food and clothing if it were not for money? Iron is cheap, and there is plenty of it—thousands and thousands of tons. Why wouldn't it be a good thing to have iron for money?

Sec. 192. Explain why a hat costing a milliner only \$2 to make, may sell for \$10; but, if carried over for a year, it may not bring 98 cents. What fixes the value of a thing?

Sec. 193. High-quality goods usually sell for a high price. Does this mean that all high-priced goods are of high quality? How can one learn to judge values?

Sec. 194. Why is it that people are willing to pay high prices for things that they can easily get along without—diamonds and pearls, for instance? Why will people pay \$3000 for an automobile when they can buy a good one for \$1500? Why is it that we don't have to pay money for air, one of the greatest necessities of life? What keeps the price of food from going so high that it would take all of a person's earnings just to buy enough to eat?

Sec. 195. Open your book to Section 195, and discuss each of the twelve rules for buying. Decide whether you agree with each rule.

Sec. 196. How has advertising helped this country during the past thirty years? How has it harmed the country?

Sec. 197. Tell of some advertising which you know is fraudulent.

Sec. 198-200. Open your book to these sections and discuss the frauds mentioned by Mr. Sirovich. Why are people fooled by such frauds? Who is to blame for the fooling of the people—the government, the public, the newspapers, the people themselves, or some other agency?

Sec. 201-202. Why should one beware of things advertised at rare bargains and cut rates?

Sec. 203. If you have ever attended an auction sale, explain how it was carried on. Who, if anyone, can buy with safety and advantage at auction sales?

Sec. 204-205. Tell of some trick, racket, or swindle that you have heard about, through which a swindler, or sharper, has obtained money from someone.

Sec. 206. What is there about human nature that makes it possible to fool people through the use of shills?

Sec. 208. What has been the experience of your parents or friends in using premium, non-premium, and third-grade gasoline?

Sec. 209-210. Do you know of any instances to prove that high-priced motor oil is better than low-priced motor oil? Does it do any good to change the crankcase oil oftener than once or twice a season?

Sec. 211-214. What real good and what actual harm are caused by cosmetics? On what kind of cosmetics is most money wasted?

Sec. 215. Can you give any good reason why a person should dye or bleach his hair? What sort of treatment is best for the hair and scalp?

Sec. 216. Give instances showing that the upkeep of an article amounted to more than its original cost. Give other instances showing that the upkeep would have been much less if a better article had been bought in the first place.

Sec. 217. Give an instance showing the poor economy of paying a flat rate for some service.

Sec. 218. What arguments can you give to prove that local buying is safer than buying away from home? What arguments can you give on the other side of the question?

Sec. 219. Why should society be interested in a person's spending his money wisely?

Thought Questions and Problems

Sec. 190-191. If there were no such thing as money, how would one go about buying an automobile? Gold and silver are used by civilized countries as a standard of value for things exchanged. Suppose a mountain of gold or silver were discovered, or a cheap method were found to extract gold from sea water. How would this affect us? How could we measure values?

Sec. 192. How do you decide what you are willing to pay for a box of candy or a book?

Sec. 193. Name one or more articles which you think you can judge as to high, medium, and low quality. How do you do it? Which quality do you usually buy? Why?

Sec. 194. How would it affect our happiness if everyone bought for satisfaction—not for show or because everyone else

is buying an article? Name one or more articles that used to sell for a fair or high price but now each sells for little, or cannot be sold at all.

Sec. 195. Examine each of the twelve rules for buying. Do you disagree with any of them? Would you make any changes in them? Would you add any others?

Sec. 196-197. About how many kinds of advertising do you know? What are some of the purposes of advertising? Millions of dollars are spent each year for advertising. Does this make goods cost more or less than they would if there were no advertising? If advertising makes goods cheaper, who can be said to pay for advertising? What harm does fraudulent or dishonest advertising do?

Sec. 198-202. Read the advertisements in a newspaper or magazine and describe those which you consider fraudulent or dishonest. Describe some instance in which you or your parents have been fooled or cheated.

Sec. 203. Explain the advantages and disadvantages of selling things at auction.

Sec. 204-206. Describe some of the schemes, rackets, or swindles used to get people's money or property.

Sec. 207-218. Make a list of some pointers, or items of information, that you think will be useful in helping young people of your age to get their money's worth when they buy.

Sec. 219. Write a paper or prepare a talk on "The Social Value of Good Buying."

Word Study for Chapter IX

SECTION

220. **Complicates**—makes more difficult or hard to understand.
Intervals—spaces, or gaps, between things; at stated times.
221. **Statistics**—figures or facts about people or things.
222. **Prohibit**—to hinder; forbid; prevent.
223. **Incurred**—agreed to; contracted for.
224. **Wrangle**—argue; dispute; quarrel.
Unscrupulous—dishonest; crooked; unprincipled; not conscientious.
Catering—to serve with intent of pleasing; supplying with food or amusements.
225. **Prospective**—future; looking forward; expected; anticipated.
Verified—proved to be true.
Delinquent—overdue; neglectful of duty.
Available—ready for use; useful; serviceable; at hand; can be obtained easily for use.
Specified—named; certain; particular; definite.
Sacredly—religiously; devotedly.
Budget account—permission to purchase goods, with payments dependent upon one's salary or income.
226. **Concealed**—hidden; disguised; secreted.
Redeeming—making good; buying back; favorable; atoning; beneficial.
227. **Origin**—beginning; birth; source; rise.
Booming—making sales or market value increase rapidly.
228. **Concession**—a giving up of something; surrender.
229. **Joint**—combined; united; joined; shared by two or more.
Provident—foreseeing needs and providing for them in the future.
230. **Exorbitant**—much too high; unreasonable; excessive.
231. **Misnomer**—a wrong name.
Lenient—mild; merciful; not severe.

Pretest for Chapter IX

1. Name three methods commonly used by people in selecting articles they buy at the stores.
2. Which do you believe is the cheapest method: buying on account, on instalments, or for cash?
3. Why is it usually easier for a business man to keep track of the expenses of his business than the expenses of his home?
4. What objections can you suggest against a person waiting until next month or next year to pay for what he uses today?
5. Why are most stores anxious for customers to open charge accounts?
6. What is the usual term of credit allowed by retail stores?
7. Could you open a charge account at any store in your town? If not, why not?
8. What is the difference between buying on credit and buying on instalments?
9. When is an article a luxury and when is it a necessity?
10. Why does the small borrower at a bank have to pay more for his loans than a large borrower pays?
11. Explain how a person can save money by borrowing.
12. When a debt falls due, is it the duty of the debtor to seek the creditor, or the duty of the creditor to seek the debtor?
13. Would there be more work and more prosperity for everyone if people bought more goods on credit? Give reason for your answer.
14. What is the chief objection against a person's buying on credit?

CHAPTER IX

THE PROPER USE OF CREDIT

220. **The Meaning of Credit.** The word, credit, in a business sense, means the purchase of something, the payment for which is based on faith in the buyer's paying at some future time. The person selling on credit is called the creditor; the person buying on credit—the one going into debt—is called the debtor. There are three common methods used in buying and selling: cash, short-time credit, and instalment. The simpler anything is, the less expensive it is likely to be. Cash dealing is simple; credit complicates matters; instalment contracts are much more involved and are therefore the most expensive method of buying. Instalment buying means paying parts of the purchase price at intervals or stated times. While credit used to be given as a favor, it has now become just another thing for sale, like beans, bricks, or shoes. Credit of any kind costs money, and for that reason the mail-order houses and the chain stores, which do not extend credit, have been able to undersell some stores which allow charge accounts. Many people are willing to pay for credit because it is the only way that they can buy some things with their slender incomes. From this it is clear that the poorest people have to pay the most for what they buy.

221. **The Cost of Credit.** When you buy in a cash store, be it chain or independent, you are trading with a merchant who himself buys for cash, often directly from the manufacturer. When you buy in a credit store, the chances are that you are dealing with a merchant who himself buys *on credit* from a wholesaler who buys *on*

credit from a manufacturer who buys raw materials *on credit*. Each additional credit transaction adds to the cost. Somebody—meaning you in this case—has to pay for it. Even if you pay cash in a credit store and carry



Cash buying is simple; credit buying is complicated; and instalment buying is still more complex.

the purchases home, you must still help to pay for the credit and delivery that others are using. A person cannot buy on credit at a cash store and should not pay cash at a credit store. The Bureau of Labor Statistics has found that the average family's yearly grocery bill amounts to about 20 per cent more when bought on credit than when

bought for cash. Out of every \$100 received in wages and salaries by Americans, about \$25 is paid in charges on borrowed money.

222. Who Should Use Credit? The merchant or manufacturer who must have a large stock of goods on hand to supply the needs of his customers has the greatest use for credit. The merchant's need of credit, as a rule, is for a short time only, because within a few days or a month, if he is a good merchant, he has already sold his merchandise and has the cash with which to pay his bills. The manufacturer may need credit for six months or a year, because it may require this length of time to go out into the market, buy raw materials, and manufacture and advertise new styles and models for next year's business; for example, Christmas goods are manufactured early in the spring, sold during the summer for late fall delivery, the payments for the goods coming due after the holidays. Thus it is evident that someone must provide credit

during this long process. Most people, however, are more interested in what is known as consumer credit. This kind of credit arises whenever anything is purchased by an individual for his own use, for which payment is to be made at a future time. The two most common forms of consumer credit are: (1) the purchase of goods or services on an open charge account, and (2) the instalment contract, in which the buyer generally makes a down payment and agrees to make weekly or monthly payments on the balance, the seller, or finance company, bearing the burden of the unpaid balance.

223. The Abuse of Credit. Nothing is more difficult in the whole journey of life than to use credit without abusing it. This is difficult enough even for the trained business man, but it is still more difficult for the average consumer who has not been trained in the art. It is safe to say that a great many persons would be better off if they were unable to obtain credit, but instead were forced to lay aside their money until they have enough to pay cash for the things they wish to buy. An exception might be the purchase of a home. Consumer credit means borrowing from tomorrow's pay for today's living, or mortgaging next year's income to pay this year's purchases. Anyone should be able to see that, if this process is kept up throughout life, a borrower will be sure to die leaving last year's debts unpaid. Some other person will have to make up this loss, and this is decidedly unfair. Consumer credit often discourages thrift and leads to extravagant and unwise spending, temporary over-consumption, or living



The man who gets ahead has learned to ride credit instead of letting credit ride him.

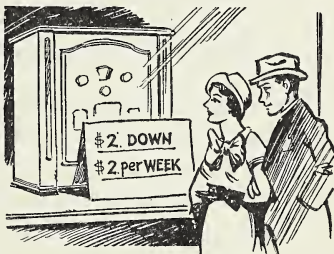
unwise spending, temporary over-consumption, or living

beyond one's means. The wise use of consumer credit requires a type of person with above-the-average self-control. While credit does not prohibit the user from saving part of his yearly income, investigations prove that the average person is always up to his neck, or over his head, in debt. Very few consumers keep record books, such as the business man is forced to keep; hence provision seldom is made for meeting future debts when they come due.

224. When Should Credit Be Used? The person asking for credit for a week, month, or year should be able to show that he will have steady employment during that time, or that he will have a fixed income from a reliable source. No one else is a safe credit risk. The future is always uncertain for every person. Very few have guaranteed employment, and many who formerly thought they had reliable fixed incomes have recently discovered what a depression can do to the best of incomes. When a debt is incurred, the ability to pay it may seem simple enough, but the very next day an accident or other misfortune may make hopeless the payment of the obligation when it is due. Failure to meet a debt promptly when it becomes payable weakens one's credit. Good credit, once lost, is difficult to regain. It is surprising how a person's credit rating follows him all over the country, no matter how far he may go. While some persons are naturally dead-beats, others are willing enough and honest enough to pay up, but are simply unable to meet their debts. To the lender there is really no difference, for he loses his money in either case. Merchants keep each other informed on the credit rating of all customers through their organization, usually known as the Retail Credit Men's Association. When a person applies for credit, the store telephones the Association for his credit record. This shows whether he is prompt, slow, or has to be forced to

make payments. The Association also has on file a list of all dead-beats.

225. Why Sellers Urge Consumer Credit. Merchants have discovered that most people who have regular employment are good credit risks. They also have discovered that by allowing a person to have a charge account, that person is more likely to become a permanent customer of the store. Persons with ready cash shop around, buying a little here and a little there. The charge customer thinks of only one place when he wants something, and that place is where he has a charge account. Merchants have discovered that the charge customer is likely to buy more and object less to high prices than does the cash customer. The extension of credit seems a real favor, and the person who receives a favor is not quick to wrangle with the grantor of the favor. Some unscrupulous merchants,



Buying on instalments usually costs from one-fourth to one-half more than buying with cash.

catering to the poorer classes, urge the charge account because it gives them the opportunity to extract very large profits. There are thousands of people who know little or nothing about business and keep no records of their money affairs. They never know when their debts are paid, especially when they extend over a long period of time. Advertisements, such as "You don't have to have cash to purchase at the Victory Store," or "Pay at your convenience," are misleading. There is no store where one can buy without having cash sooner or later, and no one ever finds it convenient to pay money. Such statements as "Open a charge account with us, pay only \$1 cash on purchases up to \$60, then small weekly payments

as low as \$1.25 each week," mean that the merchant must add to the price a very large profit in order to pay for the labor of making the more than forty bookkeeping entries required and to cover the costs of collecting his money.

226. Credit Requires an Honest Statement. The creditor supplies money and becomes in a general sense a partner of the debtor. As such, the creditor has a perfect right to ask for complete information of the debtor's condition at all times. Requesting such a statement when credit is asked is not a reflection on one's character, honesty, or business ability. It furnishes information which helps the merchant to decide whether he thinks the customer will be able to pay for the things that he buys. When a statement is made, it should be absolutely correct. Statement-giving, therefore, will tend to make a debtor a better buyer, because he will be forced to know more about the true state of his financial affairs than he would if he had no report to make of them. Before opening a charge account, it is necessary for the prospective customer to visit the credit manager and provide him with a statement similar to the specimen shown below. After the credit manager has verified the statement, by telephoning and other means, he will set the limit that the customer may be allowed to purchase during the month. He then probably will hand him a printed card containing information of the following nature:

"Our terms require settlement in full before the tenth of each month following your purchase, and accounts not so paid will be considered delinquent. However, if your income is available on a certain date each month, which would make it inconvenient to meet these requirements, any specified date may be arranged for the payment of your account each month. Being a member of the Merchants' Retail Credit Association, we are interested in the protection of individual credit. Remember, credit is a trust imposed in you, and you should sacredly safe-

guard it by prompt settlements. If you close your home for a time and do not want any purchases charged to your account, please notify the office so that we may guard against any unscrupulous person's using your account while you are away."

Application for Opening Charge Account

Name..... Phone No.....

Address (Home)..... Business Address.....

By whom employed..... How long.....

Name of husband or wife..... Where employed.....

What is your monthly income.....

Where do you have accounts.....

Give former home address.....

Give former employment.....

Below give local personal references (not relatives):

Name..... Address.....

Name..... Address.....

Do you wish a budget account..... or a 30- to 90-day charge account?.....

Sign your full name here.....

Mail this coupon now—or bring it to our credit office.

227. Instalment Buying. An instalment contract is in a sense nothing more than a written instrument by which credit itself is sold for cash—at a profit. The buyer asks the seller to supply the necessary money and allows the buyer to repay it in a number of small portions called instalments. The buyer expects to pay for the use of the

money just the same as he would expect to pay for the use of a telephone. If the seller has plenty of money, he may make more profit by renting his money than he would by investing it all in merchandise. Most sellers, however, must immediately exchange their instalment contracts for cash through a finance company. In this case, the profit on the use of the money goes only in part to the seller, the other part going to the finance company. In most cases the money which the finance company lends is borrowed from individuals, and these individuals must also have a profit on the use of their money. Thus it is clear that the person who buys on the instalment plan must pay several people a profit, because no one advances money without expecting to gain thereby.

228. Most Expensive Form of Credit. Buying on instalments is by far the most expensive form of the three kinds of credit. Very few buyers ever know exactly what



The borrower sooner or later discovers that the lender has him over a barrel.

the cost is, because it is concealed in the total price. Interest on the *total* amount is usually charged for the entire time that the account runs, while, in fact, the borrower really uses the money only half this time. To put it in another way, he pays interest on twice as much money as he uses; for example, if the contract covers eighteen

months, interest is usually charged on the whole amount for eighteen months, while the borrower uses the whole amount only one month. From that point on, the amount of the lender's money that is being used gets smaller each month. When instalment contracts are refinanced, in addition to the high interest rate charged, there are other expenses to be paid by the borrower, such

as commission, legal fees, insurance, and a number of other items. These so-called carrying charges plus the interest are seldom much less, and often greater than thirty per cent a year. Finance companies do not always send the borrower a notice when his monthly payments are due. If the money is not brought to the finance company promptly the exact day on which it is due, a collector calls upon the borrower, and an additional charge, sometimes as much as five dollars, is made for this service. Instalment buying has only two redeeming features: it makes it possible for the buyer to use the goods while he is paying for them, and it trains a person to provide for meeting all his obligations—a very excellent training for any person.

229. Luxuries Usually Sold on Instalments. Very few of the actual necessities of life are sold on instalments. The American system of high-pressure selling upon instalment payments owes its origin to the method of booming piano sales in the slump following the Civil War. The automobile industry was first, however, to develop this plan on a large scale. Then the radio and electrical appliance dealers were quick to take advantage of the scheme, and now many articles, such as furniture, diamonds, and other luxuries requiring a large expenditure of money, are sold chiefly by the instalment plan. So anxious are some sellers to secure instalment buyers that they will offer such inducements as “A free turkey to every borrower of money between now and Christmas.” The extent to which some people would misuse credit is shown by a sign in a pool room which reads, “No games on credit.”

230. The Direct Loan. By far the best method for a person wanting to buy something, but not having the money for it, is to wait until he can save the money. If he will put so much a month in a savings account, he can often *earn*, instead of *pay*, interest on his money. An-

other way to buy something is to secure a direct loan from a bank, if a person has banking connections, or from someone who has money to lend at a reasonable rate of interest. Then, with cash in hand, the buyer is free to go out and choose what he wants where he can drive the best bargain for cash—and it is amazing what bargains can be had when one has ready cash with which to buy. Many people are seeking some spot cash and will make almost any kind of concession to get it. Until very recently it has been the business of banks to lend money to business men at very reasonable rates of interest. Banks have never cared, however, to lend money to consumers because the amounts were too small to pay for the expense and trouble involved. When a bank did lend money to consumers, it was done as an accommodation to one of the bank's depositors. Banks have been wholesalers of credit. They have made their profits on loans of large amounts to industry and commerce. Recently, however, banks have begun to develop the small-loan field.

231. Direct Loans Now to Consumers. The recent depression has given rise to a thriving industry among private moneylenders who make direct loans to customers. The small-loan business is growing in leaps and bounds, and the commercial banks which formerly frowned on this small business, are now making plans to go into it on a large scale.

One company making a specialty of small loans to individuals now has offices in 74 principal cities of this country. The well-known Morris Plan Bank may be found in nearly every city. It is the business of these companies to lend money, under state license and regulation, in sums up to \$300, to persons, usually husband and wife, who need financial aid in periods of emergency, but who lack the property required by commercial banks to be put up as security. Loans are made on the security of household furniture and on the joint signatures of husband and

wife. The money must be used for provident, thrifty purposes. A careful analysis of the family earning power is made, insuring regular payments without undue strain. The only charge is the monthly interest rate on the unpaid balance of the principal, as provided by the Uniform Small Loan Laws. Most of the twenty-five states which have adopted the Uniform Small Loan Laws provide a maximum interest rate of $3\frac{1}{2}$ per cent a month on the unpaid balance of the principal only, on loans of \$300 or less. This charge is stripped of all fraud and concealment, discounts, fees, and other hidden charges. It must cover all expenses of investigation, collection, and bad-debt losses in retailing these small sums.

232. Cost of Direct Loans. The $3\frac{1}{2}$ per cent a month, allowed under the Uniform Small Loan Laws, is equal to 42 per cent a year, an exorbitant price to pay for the use of money when we consider that the business man borrows at 6 or 7 per cent, and the government at 2 or 3 per cent. But the retail price of money is like the retail price of everything, very high compared with the wholesale price. The least expensive loan may be obtained from commercial banks, providing the borrower can get two other persons, acceptable to the bank, to indorse his note and guarantee payment. Such loans may be obtained for as low as 7 or 8 per cent. Indorsing notes for others is, however, bad business under any circumstances, and prudent persons will not ask anyone to assume liability for paying their debts. The wise person will have money in a savings account in order to care for emergencies. It should be much easier to save money ahead of time than to pay it back later with interest added to it.

233. Instalments and Direct Loan Compared in Cost. Here is a person of good standing in the community, steadily employed and needing \$300 for personal use. An Auto Loan Company offers him a loan, secured by a mortgage on his car, for the following charges:

Brokerage	\$32.50
Insurance	15.00
Fee	3.00
Interest	19.50

Total cost \$70.00

The Small Loan Bank offers him the same loan, secured by confidence in the borrower and two of his friends, for the following charges:

Interest one year at 7 per cent . .	\$21.00
Cost of confidential inquiry . . .	9.00

\$30.00

One does not have to be a mathematician to figure which is the better.

234. Borrowing From Peter to Pay Paul. One of the first lessons that every young person should learn is that financial difficulties cannot be solved by borrowing. No



Juggling figures never helped any person to get out of debt. Borrowing money to pay old debts doesn't get us anywhere.

one in the world has ever succeeded in juggling figures around so that he could pay a two-dollar debt with only one dollar. The larger part of radio advertising now is devoted to inducing ignorant people to solve their financial difficulties by the Loan Company route. These appeals are couched in such phrases as, "When you need cash, just telephone our office and a bonded representative will immediately deliver a check to

your home or office; no cosigners, no insurance of any kind; no payments required for fifty days; you save when you borrow from the Friendly Loan Company." If such statements are true, why should anyone in this country ever want for money? One hears of many misnomers, but none

greater than a "friendly loan company." Try letting a payment lapse one day and see how friendly the company is. Just previous to tax-paying time these sharks broadcast the fact that "taxes on your home will soon be delinquent, and you can save paying the penalty by borrowing the money." They fail to mention, however, that the penalty is only 3 per cent, while the cost of a loan probably would be 50 per cent of the taxes. It is far better to pay the 3 per cent penalty and let the taxes wait. The tax collector is a very lenient fellow compared to the loan company representative.

235. Meeting Our Obligations. It is always the debtor's place to seek a creditor for the purpose of making his payments, but many persons never seem to learn this. A good name can be preserved only by our being absolutely punctual when the day comes for us to pay. In case we are unable to meet our obligation, we should go to the creditor, explain the fact to him, and arrange for an extension of time. Just as



The credit manager has a list of all the deadbeats. The person who fails to pay may move all over the country, but his record will follow him.

soon as a creditor finds it necessary to go to the trouble and expense of collecting from a debtor, his credit rating may be ruined for the future. No one should ever assume the attitude that he is doing a creditor a favor when he pays a just debt. Some people even expect a gift when they pay their debts. Forgetfulness is the worst excuse that can be given for not paying a debt on time. The memory of most persons is very short; hence, when borrowing, it is customary to give a written promise to pay. Such a written promise is called a promissory note. Since individuals cannot employ bookkeepers to keep them in-

formed when obligations are due, as business houses can, it is a good plan for every person who contracts a debt to make a record of it or post a notice in his room where he will not miss seeing it.

236. Social Effect of Credit. Many people argue that credit causes more goods to be bought, thereby resulting in the employment of more persons, which, in turn, makes



If we are unable to meet our payments when they are due, we should talk with the credit manager. There is no use in talking with clerks.

more prosperity for everyone. This may sound very logical at first, but the fact is that the sale on credit is used as a device to shift the consumer's income from one line of goods to another. There is no way that a consumer can increase his purchasing power by living off the future. Credit may provide members of society

with many things temporarily which they might not be able to enjoy otherwise. Today our society is experimenting to see just how far it can go on credit. Is there any limit to credit? If there is no limit, then all of our financial problems are solved. Is it safe for any person now employed to secure a loan requiring a period of three to five years to pay, without any assurance that he will have employment or income for that length of time? Time alone can tell.

Questions on the Text

Sec. 220. Explain the meaning of credit. What three methods are used in buying and selling? What is meant by instalment buying? Does credit cost anything? Why do people buy on credit?

Sec. 221. Why does it cost more to buy in a credit store than in a cash store? How much more does it cost the average family to buy groceries on credit than for cash? What part of their wages do Americans pay out in charges on borrowed money?

Sec. 222. How long should a good merchant need credit for each purchase? Why? How long should a manufacturer need it? Why? What is consumer credit? What are its two most common forms?

Sec. 223. Tell what is meant by consumer credit and give some of its disadvantages.

Sec. 224. What should a person be able to show when asking for credit? Why can one not always pay a debt when planned? How does failure to pay one's debts weaken his credit? How do merchants find out about people's credit ratings?

Sec. 225. Why do merchants want customers to open charge accounts? How do dishonest merchants take advantage of poor people with charge accounts? Explain how certain advertisements are misleading.

Sec. 226. Explain the meanings of creditor and debtor. What are the advantages of a debtor's furnishing a statement of his financial condition? What questions must an applicant answer when opening a charge account? What items are found on the printed card that is usually given to a new credit customer?

Sec. 227. Explain what is meant by an instalment contract. Why does it cost more to buy on the instalment plan than to buy for cash or on account? Who gets the profit on an instalment contract?

Sec. 228. Why do so few buyers know just how much more it costs to buy on the instalment plan than it does to buy for

cash? What are some of the expenses that a customer must pay when he buys on an instalment contract? Name some of the dangers and advantages of buying on instalment contracts.

Sec. 229. Tell how instalment buying started and developed in this country. What things are not usually sold on the instalment plan?

Sec. 230. What is it best for a person to do if he wishes to buy something and has not the money to pay for it? Why is it an advantage to be able to buy for cash? Why have banks not wished to lend people money in small amounts?

Sec. 231. What effect has the depression had upon the small-loan business. Describe the Morris Plan Bank method of lending.

Sec. 232. What is one method of borrowing at a lower rate than at the rate allowed under the Uniform Small Loan Laws? What does one usually have to do in order to get a small loan from a commercial bank? What should one do to avoid borrowing money?

Sec. 233. Explain why a loan from a small-loan bank is cheaper (at a lower rate) than one from a loan company.

Sec. 234. Why won't borrowing solve financial difficulties? In what ways are the statements made by loan companies over the radio misleading?

Sec. 235. Why should a debtor always seek his creditor when a debt becomes due? What is a promissory note? What is a good way to avoid forgetting the time when a debt is to become due?

Sec. 236. Why do some people think that credit increases the amount of goods bought? Why isn't this true? How is society experimenting with credit?

For Class Discussion

Sec. 220. If you were in business, what would you want to know about a person before you would be willing to sell him something on credit? When do merchants sometimes ask their credit customers to buy certain articles on instalment contracts instead of on their regular accounts? Why is it simpler for a

dealer to sell an automobile on an instalment contract than on an open account? Explain the three methods of buying and selling: cash, open account, and instalment.

Sec. 221. Name some of the reasons why it is more expensive for a store to sell on credit than for cash. Why do department stores charge the same price to both cash and charge customers? Why is it to a person's advantage to buy at a strictly cash store?

Sec. 222. In what cases do you think it is advisable for a merchant or a manufacturer to buy on credit?

Sec. 223. When is it advisable and when is it not advisable for a consumer to buy on credit?

Sec. 224. What should one do when he finds that he will be unable to pay for a thing at the time he has agreed to pay for it? How do you think merchants in a large city keep each other informed about people who do not pay their bills?

Sec. 225. Why do you think it is wise or unwise for a person to have one or more charge accounts?

Sec. 226. Read the "Application for Opening a Charge Account," and tell why you think each question is asked. Should the applicant object to answering any of them?

Sec. 227. Discuss in class an instalment contract which you have secured from a merchant or dealer. Who holds the title to the article so bought while it is being paid for?

Sec. 228. Mr. Jones bought an article for \$120. He agreed to pay for it in twelve monthly instalments of \$10.80 each—\$10 on the principal, and 80 cents, the interest. The interest was figured as follows: 8 per cent of \$120 = \$9.60 for 1 year, or \$0.80 for 1 month. What rate of interest did he really pay on the average amount of money he owed during the year? Suppose Mr. Jones also paid a carrying charge of \$9.60. This, added to the \$9.60 interest, would amount to what rate?

Sec. 229. When do you think a person is justified in buying a radio or an automobile on the instalment plan, rather than in saving for it in advance? When do you think a person is justified in buying furniture on the instalment plan? Name some abuses of credit.

Sec. 230. Explain why so many people buy on the instalment plan instead of saving their money in advance and paying cash. What are some of the items of trouble and expense to which a bank would be put in making many small loans to people?

Sec. 231. Why did the depression give rise to an increase in the small-loan business? If the Morris Plan Bank officials require a mortgage on the husband's and wife's household furniture as security for a loan, why are they interested in knowing the family earning power? What forms of security do you think are accepted by private moneylenders? What do you think are some of the difficulties with which moneylenders have to contend?

Sec. 232-233. If someone in the class can find the total costs of a \$300 loan for one year from both a loan company and a bank in the community, compare the two and figure what rate of interest each represents on the average amount owed during the year. What do you think would happen in each of the illustrations given in Section 233 if the borrower lost his employment, and was unable to meet his payments on the loan?

Sec. 234. Why is it foolish to borrow money in order to pay one's debts? Assuming that one has no ready money, what would be a better plan than borrowing? Besides his expenses for food, clothing, and shelter, Mr. Smith will have to pay during the year taxes, amounting to \$110, and insurance, amounting to \$165. In two years he wishes to turn in his automobile on a new one, and for this purpose he figures he will need about \$650. What plan should Mr. Smith follow in order to have ready cash with which to meet his obligations?

Sec. 235. There is a saying that "If you want to keep a person for a friend, never lend him any money." What do you think gave rise to this saying? What should a young person do to train himself to meet his obligations when they are due?

Sec. 236. How and why is society interested in the use of credit?

Thought Questions and Problems

Sec. 220. Why do poor people often buy on credit when they could buy cheaper for cash? Since people have to pay their debts sometime, why do they not pay cash in the beginning and thus get more for their money?

Sec. 221. List as many reasons as you can why credit costs money.

Sec. 222-223. What kinds of credit, if any, do you regard as beneficial? What kinds of credit do you regard as conveniences, and what kinds as necessary evils? Do you think you could get along without credit during your lifetime?

Sec. 224. Do you think it would be a good thing for the public if all department stores were to go on a cash basis? Do you think it would be a good thing for the department stores?

Sec. 226. Why, when opening a charge account, is it to the advantage of both the store and the customer to set a limit upon the amount that may be charged to the account during any one month?

Sec. 227-229. Get one or two samples of instalment contracts and be prepared to discuss them in class. Write a paper dealing with the advantages and disadvantages of instalment buying.

Sec. 230-234. Listed in the Buyer's Guide of the telephone book of a certain large city, are 218 firms and persons engaged in the loan business. Tell why you think this is a healthy or unhealthy situation, so far as thrift is concerned. Assume that you wish to borrow \$100 on a late-model automobile for which you still owe \$250. Find out just what you would have to do to get the loan, and how much it would cost you. Find out what you would have to do and what it would cost to borrow the \$100 if you owed nothing on the car. What would a person have to do to borrow \$200 on his jewelry, his furniture, or his salary? What would it cost him? What would you advise a person to do if he owes money to several people, and they are threatening to bring suit against him? Where would you advise a person to go for a small loan?

Sec. 236. Write a paper on the subject, "The Effect of Credit on Society."

Word Study for Chapter X

SECTION

237. **Transcontinental**—across the continent.
238. **Reparation**—to pay or make amends for a wrong; satisfaction; recompense; restitution.
240. **Elements**—conditions; materials from which a thing is made.
Profligate—wild; vicious; broken down in principle, virtue, or decency.
244. **Meteoric**—like a shooting star; flashing; temporarily brilliant.
246. **Devotion**—love; affection; attachment; earnestness; zeal.
Vigor—force; strength; power; energy.
252. **Ananias**—name of a Biblical character who was struck dead for lying; a liar.
Intervene—to come in between; interfere.
254. **Viking**—one of the pirate Northmen who plundered the coasts of Europe in the eighth to tenth centuries.
Strain—race; stock; descent; family.
Acclaim—a shout of joy or praise; loud applause.
Epoch-making—beginning of a new period or a new order of things or conditions.
Derisively—scornfully; mockingly; insultingly.
255. **Antagonize**—to make an enemy of; to hinder; to oppose.
Substantial—real; strong; considerable.
Structure—something built; a building; an edifice.

Pretest for Chapter X

1. Who is better prepared to tell us how to make a failure, the man who has been successful or the man who has been unsuccessful?

2. How do you account for so much difference of opinion when several persons who have traveled the same road are asked in what condition they found the roads, and if the road was easy or difficult to travel?

3. If you were suddenly to inherit a large amount of money, do you think you could manage it in a way that would not show a lack of intelligence?

4. If success depends upon having money, why is it that so few sons or daughters of the very wealthy make great successes?

5. Who do you think is more reckless with his money—the poor man or the rich man?

6. Do you believe that there are fewer opportunities today for young people than there were in the past?

7. Which do you consider more difficult—to attain fame or to keep fame after it has been attained?

8. Is living in the country a handicap to a young man in making success? Does your answer hold good for a young woman also?

9. At what age in life do many persons feel that they know the most?

10. When a gang selects a member to do some dirty work, whom are they likely to select, a strong or a weak-minded person?

11. Nearly all adventure involves risk. Before seeking a thrill, what question should a person ask himself?

12. If accumulation of a mass of facts does not constitute an education, then what does make a person educated?

13. Why is it impossible for any person to do whatever he pleases whenever he wishes to do so?

14. Do you think it is wisdom to learn life's lessons early, or is it better to wait until later in life when one has more time?

CHAPTER X

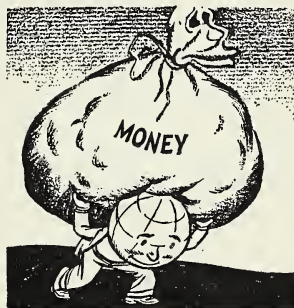
LESSONS WE CAN LEARN FROM OTHERS

237. Valuable Knowledge May Be Found Anywhere. The final success of our journey through life depends largely upon how much we are willing and able to learn from others. There is not time enough in a lifetime to learn from our own experiences alone everything that we need to know. The wise motorist, who starts out on a trans-continental trip, gets all the road information he can from those who have been over the route. Instead of listening to someone who made the trip many years ago, he talks with a person who recently has come over the road. He doesn't depend altogether upon any one person's experience but consults a number of people. One traveler may tell us that he found rough going with bad detours, while another may tell us that the roads were fine; and both travelers may be telling the truth. What one person calls a hardship, another may term as quite a pleasant experience. Every day hundreds of people are coming to the end of their life-journey. Many of these people have had a successful trip, have had a great deal of fun and only a little grief out of it, and have left a message by which all of us can profit. Many others have had a rough voyage, foolishly have fallen into trouble, and have had much grief and little fun. They also have left a message from which we can learn some valuable lessons.

238. Learn All You Can From Everybody. With our eyes and ears open, we can learn something from people in every walk of life, even from little children. No longer do we need to depend upon the great successes of the

imaginary type for our inspiration. Today prisons are crammed with leaders, men who a few years ago were written up in magazines and newspapers for their outstanding leadership. Instead of examples for inspiration, these so-called leaders now stand as practical examples of reparation, and they may serve as a real help in teaching us to avoid the dangerous detours and fatal mistakes.

239. Money—the Root of Trouble. Nothing in the world is more used and more abused than money. Too much money may be just as responsible for human wreckage as too little money. Money, like dynamite, gunpowder, and poison, is a tool which, in the hands of a person who knows how to use it properly, can be of great service to mankind; but it may cause the complete ruin of the person who does not know how to use it. It is claimed that there are not more than a dozen men in the entire country who thoroughly understand the subject of money.



Too much money, instead of not enough money, is responsible for the ruin of very many people.

The most successful men are those who have learned about the *value of money and its proper use*. For the average person, more money than is needed for actual living expenses means something to worry about. According to Henry Ford, "We must use it or lose it," but using it is not merely getting rid of it (any half-wit can do that); the worry comes in finding how to use it intelligently.

240. What Men With Money Say About It. The famous Mayo brothers, who recently gave a fortune of \$500,000 to the University of Minnesota for medical science purposes, say:

“How many families have we seen ruined by money, which has taken away from the younger members the desire to labor and achieve and has introduced elements into their lives whereby, instead of being useful citizens, they have become wasteful and profligate.”

The story of nearly every human wreck in America, among the native born, is the story of money ill-gotten or misused. It is a credit to the American Indian, however, that he is not guilty of the money craze. Jackson Barnett, the world's richest American Indian, died recently. He possessed millions of dollars acquired from oil wells on his lands in Oklahoma. Money meant little, if anything to him, so he spent his leisure time in directing traffic without pay at one of the world's busiest intersections in Hollywood. He spent none of his money except for necessities, because the simple life was more enjoyable to him than a life filled with the frills and fancies which money can buy.

241. Rich Men Today Are Not Spenders. The average rich man today is perhaps more careful in his spending for luxuries than is the average poor man. In fact the man with a lot of money is not a great spender, as was the typical rich man of former times. Like Ford and others of the money giants, he is a great worker. He does not parade his wealth. He uses it for the further promotion of his industry. Earnings to the poor mean more spending for goods to be consumed; dividends to the very rich generally do not. Our great American millionaires have long since passed the point where they want to buy everything and display money. It does not amuse them to keep up big homes with a great many servants, as of old, for the purpose of showing the rest of us how rich they are. Such things seem childish; besides, they take a lot of time which might otherwise be spent in interesting work.

242. Foreigners Usually Good Money Managers. The great mass of American people is not outstanding for its ability to manage money properly. An examination of the criminal records involving money crimes in any large city quickly reveals this. A scanning of the bread lines in front of any public welfare depot shows very few Chinese, Japanese, or other aliens. If a person gets money, even a little at a time, and keeps part of it, resisting the temptation to try to get more in a short time, he is not likely to be found in the poverty class. Here is the recent case of Pietro A. Ierardi, a bootblack who did nothing but black boots. Upon his death his surprised widow found that he had cash in eleven banks plus mortgages and real estate worth \$150,815. It was all built up from the nickels and dimes received for shining shoes. He had the wealth deposited in banks, and, unlike many of his fellow citizens, he had not invested in stocks. Pietro stuck to bootblackening and let others gamble who would. Doubtless he died happier than many of those who thought themselves cleverer than he.

243. Life Experiences That Teach Us Something. In the study of others, it is well to begin with the old experienced travelers and come down to the young and inexperienced ones to learn what we can. Here is a message from Sir Robert Perks, a noted eighty-three-year-old Britisher, who is a lawyer, contractor, and railway pioneer:

“Has the young man of today greater problems to face than the young man of, say, fifty, sixty, or seventy years ago? Are there now fewer opportunities



Our success in life depends much upon whom we pick out for our inspiration.

for youth? We constantly hear these questions asked, and the answers usually show that people are inclined to overestimate some of the obstacles that have to be overcome today. Every age has its problems which young men have to face; but these problems are not worse than formerly. They are different, that is all. If I were a young man today, the same qualities which helped me as a lad sixty years ago, and later on when I had to settle what to do, would help me now. Doubtless, the same methods would pull me through. The truth is, that however much things around us may change and progress, human nature remains much the same. Modern inventions, greatly increased facilities for travel, and all kinds of new enterprises have opened the door to numberless fresh opportunities—that is, for those who possess grit and are prepared to work hard. No matter how much the working day is shortened, the young man who gets ahead in the future will be up early in the morning working to improve himself. I remember that I used to make a rule of not being in bed after six o'clock in the morning. And when, studying rather late, I found I was inclined to sleep beyond my allotted span, I rigged up a device whereby I attached a tube of water to an alarm clock over my bed, so that if I did not get up at once when it went off, the tube tipped up and the water came over my head.

“One thing I should try to realize, were I young again today, is the value of learning from the experiences of others. For that reason I should value the knowledge and judgment of the aged. Experience is always worth more than theory or mere book learning. Intensive education? Scholastic degrees? I am not so sure that they mean very much. But young men should bear this in mind, that the character building which issues from the self-sacrifice and self-discipline necessary to win the prize matters a great deal. Much, of course, depends upon the

company a young man keeps, the friendships he forms, and his skill in seizing the chances that come his way."

244. Much Fame Often Ends in Disgrace. Too much fame, like too much money, brings many brilliant minds to prison or the grave before the journey of life should end. Some persons seem unable to stand up under prosperity. A western oil promoter, whose meteoric career brought him millions of dollars, recently committed suicide in China where he had fled to elude American officers. At his funeral only a handful of people, most of them newspaper men, attended the last rites as he was lowered in a cheap pine casket to a pauper's grave. Another man, a former well-known New York banker, at an age when he should have been retiring and living happily, took the train recently to a federal prison to serve four and a half years for embezzlement. Another of America's wealthiest business leaders of a few years ago was brought back from one of the farthest corners of the globe where he had fled to escape arrest, and an ex-cabinet member was recently sent to prison for accepting a bribe in connection with the sale of oil leases.

245. Admits Making a Fool of Himself. "I could have gotten anywhere, but I made a fool of myself." So spoke Horatio Bottomley, noted orator, publisher, financier, and jailbird who died recently in a charity hospital in London. In his capacity as a financial wizard whose operations ran into millions, Bottomley was credited with making and breaking governments as well as individuals. After he had attained a seat in Parliament, it was frequently said of him that he might have been prime minister. Bottomley was sentenced to seven years in prison for fraud in the sale of Victory bonds. His last public appearance, after his release from prison, was when he called at an unemployment relief station to request a pension of two dollars a week. He was refused, and a

few days later was stricken with the grave illness that resulted in his death, in a charity ward.

246. Cash Value of Integrity. During the past year, from many thousand pupils in the East, the South, the Middle West, the Pacific Coast, and the Central North-west, five young men were awarded scholarships with all expenses paid in one of the most famous military schools of the country. These youths were selected on the following points:

1. Qualities of manhood, truth, courage, devotion to duty, sympathy, kindness, unselfishness, and fellowship.

2. Exhibition of moral force of character and of instincts to lead one's schoolmates and take an interest in them.

3. Physical vigor, as shown by interest and participation in manly sports, such as football, basketball, and boxing.

This should be evidence enough to prove that the right type of young man often does have good fortune thrust upon him.

247. Misfortune Turned to Good Fortune. A few years ago a young man was working as a printer. One day a careless helper left a can of acid sitting over one of the presses. The printer came along and started up the press, which automatically set an electric fan to whirring, and the fan blew the blinding acid into his eyes. With both eyes gone, things seemed serious for him, but not so serious as they might have been. He had to have something to occupy his time. He thought playing the violin might help. A few elementary lessons disclosed the fact that he had unsuspected talent. He continued his studies until he became a great master. Now he has a good income from teaching violin playing and from his work as a concert violinist with a large orchestra.

248. City or Country Makes Little Difference. The boy in high school need not be a do-nothing unless he wants to be. If he is made of the right stuff, he can get a substantial start in life while getting his education. A country boy eighteen years old and just out of high school points the way to his fellows. Four years ago on entering high school he bought a cow and a heifer. To-day he has a herd of eight animals estimated to be worth at least \$1250. He has won numerous prizes for his school work in animal husbandry and also at agricultural shows. Another lad, city bred, a few years ago after his school hours started to deliver newspapers. During the four years, while getting his education at the same time, he earned a good salary as collector over a large territory for the newspaper and fully paid for his two automobiles. Success often depends on the boy and the stuff that's in him.

249. Vanity May Lead to Trouble. Egotism, the habit of thinking and talking much of oneself—self-conceit—is, perhaps, the most deadly enemy young people have to guard against. At no time in life do we feel the great importance of our wisdom as we do between the ages of fifteen and twenty-five. It is during this period that egotism may get in its deadly work. It is the one period in life when we don't want to listen to anybody—we are going to show the world how smart we are. Girls as well as boys often get the idea that their parents are old fossils unfamiliar with modern life. Such an idea would be pathetic if not so amusing.

250. Foolish Mistakes of Girls. Twenty-three-year-old Margaret Ann sat in her cell at the county jail and repeated in three words the wisdom of the ages.

“Crime doesn't pay.”

Recently she went to federal court, pleaded guilty to embezzling \$11,000 from the American National Bank in

which she was a trusted teller, and was sentenced to a year and a day in the women's federal prison.

Her mistakes began when she slipped the first \$50 into her purse. Of course, she thought then she could pay it back—they all do; but as time went on, she found it so much easier to slip money out of the bank than into it. When asked why she took the money, she hesitated; then she spoke directly, honestly: "I guess it was the pretty clothes that really made me—what I am. It was fun, too, to lend money to my friends. They thought I was a 'big shot.' And I never got any of it back. They were just fair-weather friends—all gone, now."

251. Too Much Ambition May Result in Crime. Tears glistened in the shining blue eyes of blonde little Ruth today as she told how she broke away from solid home ties to drift heedlessly along life's gay stream. Hollywood with its beckoning bright lights lured her to become too ambitious to make a name for herself in art and in motion pictures. This lure has tempted many others who, when they couldn't make the grade, turned to crime. Ruth was a college girl of good family. Everything had always been done for her. Her parents put her through three years of art courses in the university. When the fourth year swung around, she wouldn't go back. Before police interrupted, Ruth had bought an automobile, fine clothes, and staged a number of expensive parties—all from funds secured by writing worthless checks. As the officers were removing her from the county jail to the train for her trip "up north"—to the big house at San Quentin Prison, she exclaimed, "If I had only listened to my father and mother, or could only start all over again!"

252. Lying Doesn't Pay. As this chapter is being written, the following appears in a daily paper:

"Was Henry, 18-year-old boy liar embarrassed today? Convicted by a jury in the Superior court on two

robbery charges, the modern Ananias attempted to escape his fate by claiming insanity, only to have the same jury turn thumbs down on his plea and call him sane. And now, unless some unforeseen circumstances should intervene, he will be sentenced to prison. He delivered himself several months ago to the police and immediately confessed numerous holdups. But after he was ordered tried, the youth changed his tune to a plea for mercy, claiming that he was merely telling big lies for a thrill when he made his confessions.”

253. Leaders Often Get Us Into Trouble. Most people like to be led, and the few born-leaders know this. All leaders are not good leaders. Nothing is more dangerous than an unscrupulous, skillful leader, for he may lead us to destruction. We find him at work in nearly every high school and even in the grammar schools. We can find him, or he will find us, all along the journey of life. He is always getting up an organization for us to join and support from our hard-earned savings. He is a sleek individual who never makes an accounting to anyone if he can avoid it. Secrecy is his stock in trade. He seldom asks our advice, and doesn't hesitate actually to give us orders of what we should or should not do. Since all of us must depend to some extent upon leaders, we should be ever alert to make sure that our leader has a past record that is clean.

254. The Kind of Thrill That Pays. In the early morning fog of May 20, 1927, a tall, slim twenty-five-year-old unknown American air mail pilot, with a strong Viking strain in his appearance, and a stronger strain in his blood, whirled his airplane from the runway at Roosevelt field, New York, and set off for a lone transatlantic flight. A little less than thirty-four hours later that same pilot circled the famous Le Bourget field at Paris, France,

and dropped out of a starlit sky to receive the acclaim of the French nation and an undying fame that reached from one corner of the globe to the other. It is hardly necessary to mention the name of Charles Lindbergh.

When this young man took off on his epoch-making flight, he was unsung and unnamed, except derisively as the "flying fool" who proposed to do the impossible. When he landed in Paris, he had become the greatest world hero of the age—the "American Eagle," and the highest symbol of young American manhood. And what lay behind the unbelievable achievement of this quiet-spoken, unspoiled youth? First, a wholesome home background, where ideals and principles were placed above material gain, and, second, an inherited love of mechanics and the daring courage to try the untried.

255. Girls Can Rise to Fame and Fortune. A study of the lives of great women teaches us the same lessons that we can learn from the lives of great men. The recent passing of Marie Dressler brings to light the pathway of a small-town girl who rose from obscurity to the greatest heights perhaps ever enjoyed by woman, entirely through her own efforts. To win the interest, love and the respect not only of the general public but also of the President of the United States and many foreign rulers, is the greatest success possible for any person to achieve.

Marie Dressler, whose real name was Lelia Koerber, at the age of fourteen began her fight for success in order to provide for her parents the luxuries which they could not afford. Her first public appearance was in an amateur show, and she was hooted at. That evidently made her angry, for she set her teeth and stuck to her acting. As a result she played every known type of a role, and won tremendous renown on the stage. Then, when a mature woman, she went into pictures and attained unrivaled success on the screen. She always modestly said that she

gained her success because she was a homely woman and she could make people laugh.

256. Education Means Self-Improvement. The person with a head full of book learning is no longer assumed to be educated. Edward Wiggam gives us the modern idea of an educated man.

“He cultivates an open mind. He always listens to the man who knows. He never laughs at new ideas; he knows the secret of getting along with other people; he knows that popular notions are nearly always wrong; he always tries to feel the emotion he ought to feel; you can’t sell him magic; he links himself with a great cause; he builds an ambitious picture of his abilities; he keeps busy at his highest level in order to be happy, useful, and a good citizen; he knows it is never too late to learn; and he never loses faith in his fellow men.”

And Joseph Marshall says: “If I wanted to become a tramp, I would seek information and advice from the most successful tramp I could find. If I wanted to become a failure, I would seek advice from men who have never succeeded. If I wanted to succeed in all things, I would look around me for those who are succeeding, and do as they have done.”

After a study of all the lessons in this book, it should not be difficult for any young person to realize that the most important thing in this world for him to understand, to improve, and to use properly is himself. In order to earn a living, a person must be able to get along agreeably with his fellow workers and with those who pay for his services. Society has well-established rules of conduct which are not changed to suit the whims of some peculiar individuals. For anyone to antagonize society by a constant violation of these rules is folly, and in the end it usually results in misery or unhappiness.

The world today is setting up a new standard for the successful person. Rapidly passing are the old ideas that

education meant the accumulation of a mass of facts, and that success meant the accumulation of a mass of money. *Today education and success mean self-improvement.* The young person who masters all of the lessons contained in this book has made a substantial beginning in self-improvement and has a solid foundation upon which to build a successful and happy life; in fact, he has the larger part of his life structure erected. The next most important concern for him is to learn how to make the best personal use of the many agencies in the business world which are necessary to his everyday life. With this knowledge he will be ready for the business of life.

END OF BOOK ONE

Questions on the Text

Sec. 237. Upon what does the final success of our journey through life depend? Why? What does the wise motorist do before starting upon a long trip? Before undertaking a journey, why should we consult more than one person?

Sec. 238. From what kinds of people can we learn? What can we learn from fallen leaders?

Sec. 239. In what way does money cause human wreckage and ruin? Why is it hard to follow Henry Ford's advice about money?

Sec. 240. What do the Mayo brothers say about money? What did the world's richest Indian do to enjoy himself?

Sec. 241. So far as their money-spending habits are concerned, how do typical rich men of today differ from those of former days?

Sec. 242. In this country, who seem to be the best money managers? Tell about the case of Pietro Ierardi.

Sec. 243. According to Sir Robert Perks, how do the problems of today compare with those of former years? What has opened the door to new opportunities? Now that we have a shorter working day, should we sleep longer in the morning? Aside from books, from what other sources can we learn? What should one bear in mind about character building and forming friendships?

Sec. 244. Give three examples of how fame ended in disgrace.

Sec. 245. Why didn't the life of Horatio Bottomley, financial expert, end successfully?

Sec. 246. Upon what three points were the five young men awarded scholarships?

Sec. 247. Explain how the young printer turned misfortune into good fortune.

Sec. 248. Explain how the two boys got a start in business life while they were still in high school.

Sec. 249. What is one of the most deadly enemies against which young people have to guard? How does egotism sometimes affect the person who possesses it?

Sec. 250. Tell about the foolish mistake of Margaret Ann. What lesson did it teach her?

Sec. 251. Explain how ambition and foolishness led Ruth into crime. What did she wish she *had* done?

Sec. 252. How did lying get Henry into trouble?

Sec. 253. Are all leaders good leaders? What kind of leader is dangerous? What are some of the things that unscrupulous leaders do? What types of leaders should we follow?

Sec. 254. What are some of the things that made for Lindbergh's success?

Sec. 256. According to Edward Wiggam, what are the twelve marks of an educated man? What does Joseph Marshall say about seeking advice from others? What has this book taught us? What is the next kind of information we should learn?

For Class Discussion

Sec. 237. How much progress would there be in the world if we did not learn from what others had done? What are some of the ways by which we can learn from others? What is meant by the saying, "Experience is a dear teacher"?

Sec. 238. Can we learn from others' mistakes, or must we make the same mistakes ourselves before we can learn to do better? Tell one thing that you have learned from the mistakes of others.

Sec. 239-240. Give several ways in which too much money may harm people.

Sec. 241. What are some of the pleasures that money cannot buy? Of what wealthy men do you know who get their pleasure, or satisfaction, from work? To what extent do you think wealthy people really waste their money?

Sec. 242. Why are Americans often poor money managers? What other cases have you read about that are similar to the case of Pietro?

Sec. 243. How do young people's problems of making a living today differ from those of the young persons of fifty or sixty years ago? Are the qualities necessary for success today any different from those needed fifty or sixty years ago? Give reasons for your answer.

Sec. 244-245. What are some of the things that cause men who have attained fame, or distinction, to end their days in disgrace?

Sec. 246. Discuss the points, or qualities, upon which the five youths were selected for scholarships. Should any points be added or omitted? Why should young people having such qualities be successful?

Sec. 247. Of what other cases, than the one mentioned in this section, do you know wherein misfortune has turned into good fortune?

Sec. 248. About what cases, other than those mentioned in this section, do you know in which outside work done by pupils after school hours helped them in later life? What outside work is being done by members of your class?

Sec. 249. For what reasons may egotism, self-conceit, and big-headedness be bad for young people?

Sec. 250. Why was it foolish, as well as wrong, for Margaret Ann to embezzle the money from the bank? What other instances can you give to prove that crime does not pay?

Sec. 251. What should Ruth have done in order to succeed? Why is a parent's advice better than a young person's notion of what he ought to do?

Sec. 252. What are some objections to lying? Do you like a liar for a friend? Give reasons for your answer. How can one cure himself of lying? From a business standpoint, why doesn't lying pay?

Sec. 253. What is your definition of a leader? When should one follow a leader? Why is it hard to say "No"? How can we train ourselves to say "No"?

Sec. 254. Give the reasons for Lindbergh's success.

Sec. 256. Tell why each of the twelve items mentioned by Edward Wiggam is important. What are some of the most important things you have learned from this book?

Thought Questions and Problems

Sec. 237-238. Discuss with yourself or weigh the advantages and the disadvantages of following the advice of others. Summarize in writing the discussion.

Sec. 239-240. Write a paper or prepare a talk on "The Good and Bad Effects of Money."

Sec. 241. Tell why you think it is or is not a good thing for the rich to own several automobiles, maintain magnificent homes, and employ many servants.

Sec. 242. Why do you think that foreigners are often good money managers?

Sec. 243. Be prepared to tell in class about the life of some man or woman from whom you think we can learn something of value.

Sec. 244-245. Be prepared to tell in class about someone whose life ended in disgrace, and from whose experiences you think we can learn something.

Sec. 246. How can one go about developing the qualities mentioned in this paragraph?

Sec. 247. For class discussion, report another case, similar to the one in this section, wherein misfortune was turned into good fortune.

Sec. 248. Find out about another case in which a pupil got a start in business while still getting his or her education.

Sec. 249. Why is it difficult for a conceited person to learn anything? Why are such people unpopular? What is the difference between self-confidence and self-conceit?

Sec. 250-252. Give instances of foolish mistakes, made by young people, that may serve as lessons to others.

Sec. 253. Describe some good leader about whom you know. Describe an unscrupulous leader, if you know of one.

Sec. 254. Why did flying to Paris make Lindbergh famous?

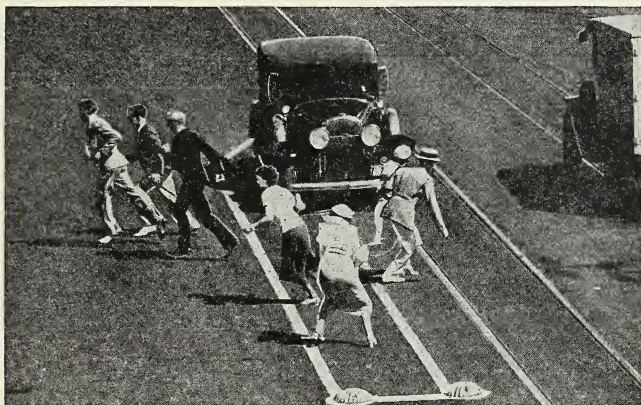
Sec. 256. Give your idea of an educated person. How has studying this book helped you?

APPENDIX

Rules of the Road Everyone Should Know and Obey

The automobile is becoming almost universally used by boys and girls of high school age. Very few young people, and not a large number of adults, are familiar with the rules and regulations for driving cars; hence, the following standardized regulations should be of interest and value to every pupil.

According to the report of United States Chamber of Commerce, the most hazardous age for automobile drivers is under the age of twenty. The accident record of drivers under twenty is shown to be thirty-nine per cent worse than the average. It is perhaps safe to say that many of the accidents by young people under twenty years of age are due to ignorance of rules and regulations. It would seem that the public school is the proper place for dissemination of this knowledge.



Courtesy Automobile Club of Southern California

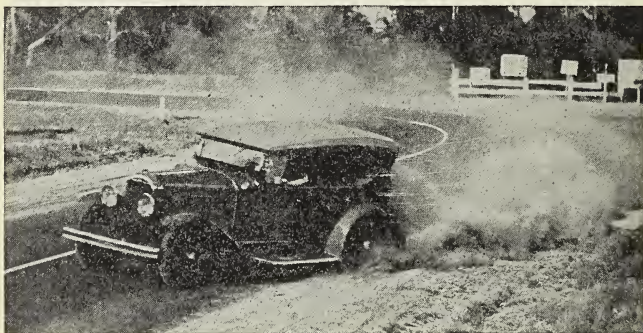
A pretty sure way of getting into jail is for a motorist to drive through a safety zone when there are people in it.

Uniform Laws Regulating Traffic on Highways Approved by the National Conference on Street and Highway Safety Washington, D. C.

1. **Reckless Driving.** Any person who drives any vehicle in such a manner as to indicate either a willful or a wanton disregard for the safety of persons or property is guilty of reckless driving.

Every person convicted of reckless driving shall be punished upon a first conviction by imprisonment for a period of *not* less than five days *nor* more than ninety days, or by fine of not less than twenty-five dollars nor more than five hundred dollars, or by both such fine and imprisonment, and on a second or subsequent conviction shall be punished by imprisonment for not less than ten days nor more than six months, or by a fine of not less than fifty dollars nor more than one thousand dollars, or by both such fine and imprisonment.

2. **Speed Restrictions.** No person shall drive a vehicle on a highway at a speed greater than is reasonable and prudent under the conditions then existing.



Courtesy Automobile Club of Southern California

Taking curves at high speed may seem smart, but it takes many dollars out of the pocket of the motorist. The damage done to the tires and the internal mechanism of the car may result in a serious wreck months later.

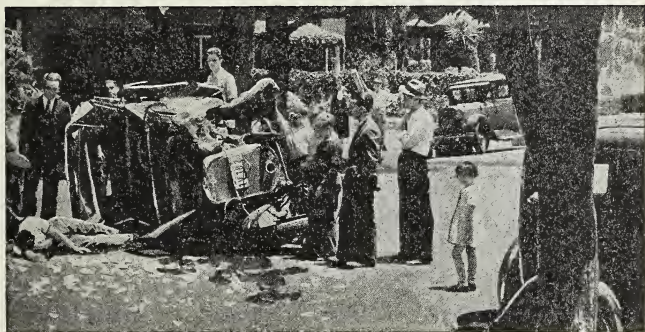
Where no special hazard exists, the following speeds shall be lawful, but any speed in excess of said limits shall be *prima facie* evidence that the speed is not reasonable or prudent and is unlawful:

- 20 miles per hour in any business district;
- 25 miles per hour in any residence district;
- 45 miles per hour under other conditions.

The fact that the speed of a vehicle is lower than the foregoing *prima facie* limits shall not relieve the driver from the duty to decrease speed when approaching and crossing an

intersection, when approaching and going around a curve, when approaching a hill crest, when traveling upon any narrow or winding roadway, or when special hazard exists with respect to pedestrians or other traffic or by reason of weather or highway conditions, and speed shall be decreased as may be necessary to avoid colliding with any person, vehicle, or other conveyance on or entering the highway in compliance with legal requirements and the duty of all persons to use due care.

Whenever the (State Highway Commission) shall determine upon the basis of an engineering and traffic investigation that any *prima facie* speed hereinbefore set forth is *greater than is* reasonable or safe under the conditions found to exist at any



Courtesy Automobile Club of Southern California

Records show that the greatest number of serious accidents are caused by drivers under nineteen years of age.

intersection or other place or upon any part of a highway, said (Commission) shall determine and declare a reasonable and safe *prima facie* speed limit thereat which shall be effective when appropriate signs giving notice thereof are erected at such intersection or other place or part of the highway.

In every charge of violation of this section the complaint, also the summons or notice to appear, shall specify the speed at which the defendant is alleged to have driven, also the *prima facie* speed applicable within the district or at the location.

The foregoing provisions of this section shall not be construed to relieve the plaintiff in any civil action from the

burden of proving negligence upon the part of the defendant as the proximate cause of an accident.

3. Bicycle Riding. Every person riding a bicycle or an animal upon a roadway and every person driving any animal shall be subject to the provisions of the rules of the road which apply to drivers of a vehicle.

Lamps on bicycles. Every bicycle at night shall be equipped with a lighted lamp on the front thereof visible under normal atmospheric conditions from a distance of at least five hundred feet in front of such bicycle and shall also be equipped with a reflex mirror or lamp on the rear exhibiting a red light visible under like conditions from a distance of at least five hundred feet to the rear of such bicycle.

4. Traffic Signals and Signs. It shall be unlawful for the driver of any vehicle to disobey the instructions of any traffic sign or signal placed by official authority. (This does not mean that a person must pay attention to private signs sometimes erected in front of a home or place of business by the owners.)

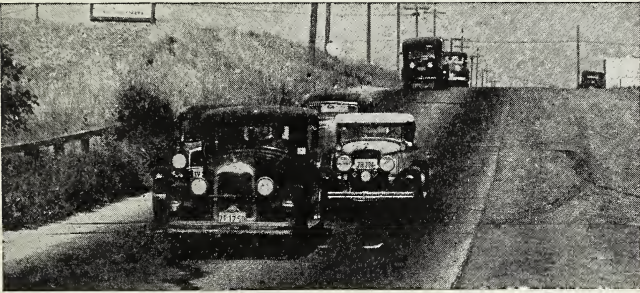
5. Duty to Stop in Event of Accident. The driver of any vehicle involved in any accident resulting in personal injury or damage to property shall immediately stop at the scene of the accident and shall also give his name, address, and the registration number of his vehicle, and render aid to any person injured in such accident, including the carrying of such person to a physician or surgeon for medical treatment, if it is apparent that such treatment is necessary or is requested by the injured person.

6. Duty to Report Accident. The driver of any vehicle involved in an accident resulting in injury or death to any person, or property damage to an apparent extent of fifty dollars or more, shall, within twenty-four hours, forward a report of such accident to the police department.

7. Drunken Drivers. It shall be unlawful for any person under the influence of intoxicating liquor to drive any vehicle upon the highway, and every person who is convicted of a violation of this law shall be punished by imprisonment in the county or municipal jail for not less than ten days nor more than one year, or by fine of not less than one hundred dollars

nor more than one thousand dollars, or by both such fine and imprisonment.

8. Drive on Right Side of Highway. Upon all highways of sufficient width, other than one-way highways, the driver of a vehicle shall drive the same upon the right half of the highway except when the right half is out of repair and for such reason impassable or when overtaking and passing another vehicle subject to the limitations mentioned in paragraphs 9 and 10 of these rules. In driving upon the right half of a highway, the driver shall drive as closely as practicable to the right-hand



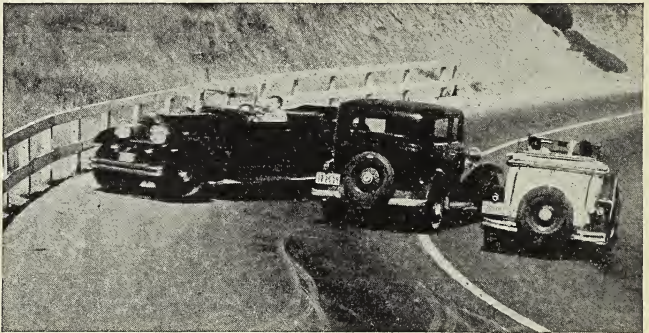
Courtesy Automobile Club of Southern California

The road hog always drives in the middle of the highway and makes it difficult for anyone to pass him on either side.

edge or curb of the highway except when overtaking or passing another vehicle, or when placing a vehicle in position to make a left turn.

9. Passing Other Cars. Drivers of vehicles proceeding in opposite directions shall pass each other to the right, each giving to the other at least one-half of the main traveled portion of the roadway, as near as possible. The driver of a vehicle overtaking another vehicle proceeding in the same direction shall pass to the left thereof at a safe distance, and shall not again drive to the right side of the highway until safely clear of such overtaken vehicle. The driver of an overtaken vehicle shall give way to the right in favor of the overtaking vehicle on suitable signal and shall not increase the speed of his vehicle until completely passed by the overtaking vehicle. In some cities passing on the right is permitted on very wide streets.

10. Passing on Curves. The driver of a vehicle shall not drive to the left side of the center line of a highway in overtaking and passing another vehicle proceeding in the same direction unless such left side is clearly visible and is free of on-coming traffic for a sufficient distance ahead to permit safety, nor shall the driver of a vehicle in any event drive to the left side of the center line of a highway when approaching the crest of a grade or upon a curve in the highway where the driver's view along the highway is obstructed.



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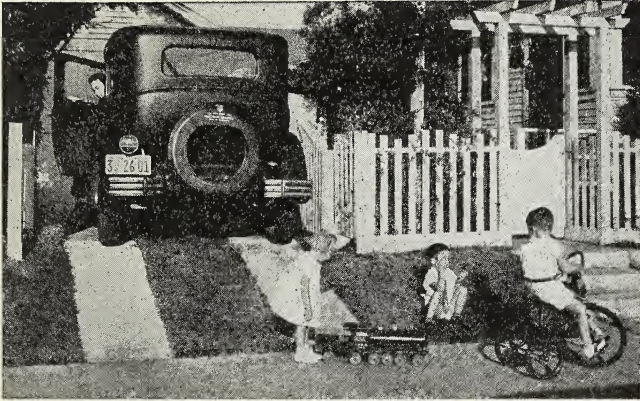
Many drivers get caught in a trap when they try to cut in. Which one of these cars is liable for any damage caused? What is the purpose of the white line on the pavement?

11. Right and Left Turns. The driver of a vehicle intending to turn at an intersection shall do as follows:

Approach for a right turn shall be made in the lane for traffic nearest to the right-hand side of the highway and the right turn shall be made as closely as practicable to the right-hand curb or edge of the highway.

Approach for a left turn shall be made in the lane for the traffic to the right of and nearest to the center line of the highway, and the left turn shall be made by passing to the right of such center line where it enters the intersection, and upon leaving the intersection by passing to the right of the center line of the highway then entered. The left turn may be modified as indicated by signs or buttons in the roadway.

12. Proper Signals. The driver of any vehicle upon a highway before starting, stopping, or turning from a direct line shall first see that such movement can be made in safety, and if any pedestrian may be affected by such movement shall give a clearly audible signal by sounding the horn, and whenever the operation of any other vehicle may be affected by such movement, shall give a signal as required in this section plainly



Courtesy Automobile Club of Southern California

Many children are killed each year by automobiles backed out of driveways. The driver in this picture cannot see the children. Backing a car at any time is dangerous.

visible to the driver of such other vehicle of the intention to make such movement.

The signal herein required shall be given either by means of the hand and arm in the manner herein specified, or by an approved mechanical or electrical signal device, except that when a vehicle is so constructed as to prevent the hand and arm signal from being visible both to the front and rear, the signal shall be given by a device of a type which has been approved by the Department. Whenever the signal is given by means of the hand and arm, the driver shall indicate his intention to start, stop, or turn by extending the hand and arm horizontally from and beyond the left side of the vehicle.

Signals should be given for a distance of fifty feet before the proposed action takes place.

All signals herein required given by hand and arm shall be given from the left side of the vehicle in the following manner and such signals shall indicate as follows:

Left turn. Hand and arm extended horizontally.

Right turn. Hand and arm extended upward or moved with a sweeping motion from the rear to the front.

Stop or decrease of speed. Hand and arm extended downward.

13. Turning Around. The driver of a vehicle shall not turn such vehicle around so as to proceed in the opposite direction upon any curve or upon the approach to or near the crest of a grade or at any place upon a highway where the view of such vehicle is obstructed within a distance of five hundred feet along the highway in either direction.

14. Right of Way Between Vehicles. The driver of any vehicle approaching an intersection shall yield the right of way to a vehicle which has entered the intersection. When two vehicles enter the intersection at the same time, the driver of the vehicle on the left shall yield to the driver of the vehicle on the right.

The driver of a vehicle within an intersection intending to turn to the left shall yield to any vehicle approaching from the opposite direction which is within the intersection or so close thereto as to constitute an immediate hazard, but said driver having so yielded and having given a signal when and as required by law may make such left turn, and other vehicles approaching the intersection from said opposite direction shall yield to the driver making a left turn.

15. Fire, Police, and Ambulance. Upon the approach of any authorized emergency vehicle giving audible signal by siren, bell, or whistle, the driver of every other vehicle shall immediately drive the same to a position as near as possible and parallel to the right-hand edge or curb of the highway, clear of any intersection of highways, and shall stop and remain in such position, unless otherwise directed by a police officer, until the authorized emergency vehicle shall have passed.

16. Pedestrians' Right of Way. The driver of any vehicle shall yield the right of way to a pedestrian crossing the roadway within any marked crosswalk or within any unmarked crosswalk at the end of a block, except at intersections where the movement of traffic is being regulated by police officers or traffic control signals.

Whenever any vehicle has stopped at a marked crosswalk or at any intersection to permit a pedestrian to cross the roadway, it shall be unlawful for the driver of any other vehicle approaching from the rear to overtake and pass such stopped vehicle.

Every pedestrian crossing a roadway at any point other than within a marked or unmarked crosswalk shall yield the right of way to vehicles upon the roadway.

17. Thumbing Rides. It shall be unlawful for any person to stand in a roadway for the purpose of soliciting a ride from the driver of any private vehicle.

18. Passing Street Car on Left. The driver of a vehicle shall not overtake and pass upon the left nor drive upon the left side of any street car proceeding in the same direction, whether such street car is actually in motion or temporarily at rest, except:

When so directed by a police officer;

When upon a one-way street; or

When upon a street where the tracks are so located as to prevent compliance with this section.

The driver of any vehicle when permitted to overtake and pass *upon the left* of a street car which has stopped for the purpose of receiving or discharging any passenger shall reduce speed and may proceed only upon exercising due caution for pedestrians and shall accord pedestrians the right of way when required by other sections of this act.

19. Passing Street Car on Right. The driver of a vehicle overtaking *upon the right* any street car stopped or about to stop for the purpose of receiving or discharging any passenger shall stop such vehicle *at least five feet* to the rear of the nearest running board or door of such street car and thereupon remain standing until all passengers have boarded such car or *upon alighting* have reached a place of safety, except that where a

safety zone has been established a vehicle need not be brought to a stop before passing any such street car but may proceed past such car at a speed not greater than is reasonable and proper and with due caution for the safety of pedestrians.

20. General Rules Regarding Street Cars. It shall be unlawful for the driver of any vehicle proceeding upon any street car track in front of a street car upon a street, to fail to remove such vehicle from the track as soon as practicable, after signal from the operator of said street car.

When a street car has started to cross an intersection, no driver of a vehicle shall drive upon or cross the car tracks within the intersection in front of the street car.

The driver of a vehicle shall not at any time drive through or over a safety zone.

21. Special Stops Required. Whenever any person driving a vehicle approaches a highway and interurban or steam railway grade crossing and a clearly visible and positive signal gives warning of the immediate approach of a railway train or car, it shall be unlawful for the driver of the vehicle to fail to stop the vehicle before traversing such grade crossing.

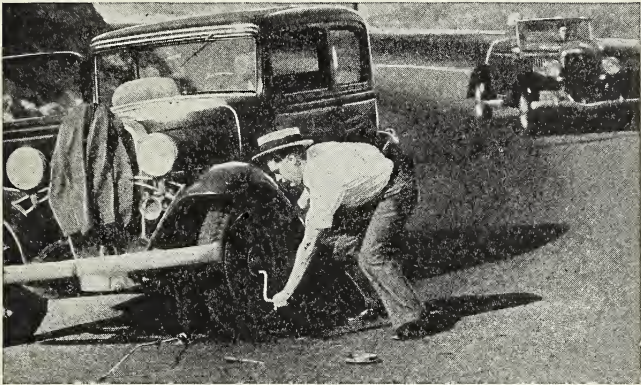
Where a state highway commission has designated and sign-posted certain crossings of railroads as dangerous it shall be unlawful for the driver of any vehicle to fail to stop within fifty feet but not less than ten feet from such railway tracks before traversing (going over) such crossing.

Where the highway department has erected STOP signs at intersections of main travel or through highways or boulevards, it shall be unlawful for the driver of any vehicle to fail to stop in obedience thereto, except when directed to proceed by any officer or traffic-control signal.

The driver of a vehicle within a business or residence district emerging from an alley, driveway, or building shall stop such vehicle immediately prior to driving onto a sidewalk or onto the sidewalk area extending across any alleyway.

22. Stopping, Standing, or Parking. No person shall park or leave standing any vehicle, whether attended or unattended, upon the paved or improved or main traveled portion of any highway, outside of a business or residence district, when it is practicable to park or leave such vehicle standing off the paved

or improved or main traveled portion of such highway; provided, in no event shall any person park or leave standing any vehicle, whether attended or unattended, upon any highway unless a clear and unobstructed width of not less than twenty feet upon the main traveled portion of said highway opposite such standing vehicle shall be left for free passage of other vehicles thereon, nor unless a clear view of such vehicle may be obtained from a distance of 200 feet each direction.



Courtesy Automobile Club of Southern California

One of the most dangerous things a man can do is to change a tire while his car is standing on the pavement and just around a curve.

23. Stopping, Standing or Parking Prohibited in Specified Places. *No person* shall stop, stand or park a vehicle, except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or traffic control device, in any of the following places:

On a sidewalk;

In front of a *public* or private driveway;

Within an intersection;

Within fifteen feet of a fire hydrant;

On a crosswalk;

Within twenty (20) feet of a crosswalk at an intersection;

Within thirty (30) feet upon the approach to any flashing beacon, stop sign or traffic control signal located at the side of a roadway;

Between a safety zone and the adjacent curb or within thirty (30) feet of points on the curb immediately opposite the ends of a safety zone, unless the (traffic authority) indicates a different length by signs or markings;

Within fifty (50) feet of the nearest rail of a railroad crossing;

Within twenty (20) feet of the driveway entrance to any fire station *and on the side of a street opposite the entrance to any fire station within seventy-five (75) feet of said entrance (when properly signposted);*

Alongside or opposite any street excavation or obstruction when such stopping, standing or parking would obstruct traffic;

On the roadway side of any vehicle stopped or parked at the edge or curb of a street;

Upon any bridge or other elevated structure upon a highway or within a highway tunnel;

At any place where official signs prohibit stopping.

No person shall move a vehicle not owned by such person into any such prohibited area or away from a curb such distance as is unlawful.

24. Unattended Motor Vehicle. No person driving or in charge of a motor vehicle shall permit it to stand unattended without first stopping the engine, locking the ignition and removing the key, or when standing upon any perceptible grade without effectively setting the brake thereon and turning the front wheels to the curb or side of the highway.

25. Obstructing Driver's View. It shall be unlawful for the driver of any vehicle to drive the same when such vehicle is so loaded, or when there are in the front seat of such vehicle such number of persons exceeding three, as to obstruct the view of the driver to the front or sides or to interfere with the driver's control over the driving mechanism of the vehicle.

It shall be unlawful for any passenger in a vehicle or street car to ride in such position as to interfere with the driver's or operator's view ahead or to the sides, or to interfere with the driver's or operator's control over the driving mechanism of the vehicle or street car.

26. Following Fire Apparatus. It shall be unlawful for the driver of any vehicle to follow any fire apparatus traveling in response to a fire alarm closer than five hundred feet or to drive into or park such vehicle within the block where fire apparatus has stopped in answer to a fire alarm.

No vehicle shall be driven over any unprotected hose of a fire department when laid down on any street, private driveway or street car track.

27. Coasting Prohibited. The driver of a motor vehicle when traveling upon a down grade upon any highway shall not coast with the gears of such vehicle in neutral.

28. Red Lights. It shall be unlawful for any person to drive or move any vehicle upon a highway with any red light visible from directly in front thereof. This section shall not apply to police or fire department or fire patrol vehicles.

29. Prevention of Noise. No person shall drive a motor vehicle on a highway unless such motor vehicle is equipped with a muffler in good working order and in constant operation to prevent excessive or unusual noise and annoying smoke.

It shall be unlawful to use a "muffler cut-out" on any motor vehicle upon a highway.

30. Penalties for Misdemeanors. Every person convicted of a misdemeanor for a violation of any of the provisions of these laws for which another penalty is not provided shall for a first conviction thereof be punished by a fine of not more than one hundred dollars or by imprisonment in the county or municipal jail for not more than ten days; for a second such conviction within one year thereafter such person shall be punished by a fine of not more than two hundred dollars or by imprisonment in the county or municipal jail for not more than twenty days or by both such fine and imprisonment; upon a third or subsequent conviction within one year after the first conviction such a person shall be punished by a fine of not more than five hundred dollars or by imprisonment in the county or municipal jail for not more than six months or by both such fine and imprisonment.

31. Failure to Appear When Arrested. Whenever any person is arrested for a violation of any provision of these laws

punishable as a misdemeanor, the arresting officer shall, except as otherwise provided in this section, take the name and address of such person and the license number of his motor vehicle and issue a summons or otherwise notify him in writing to appear at a time and place to be specified in such summons or notice, such time to be at least five days after such arrest unless the person arrested shall demand an earlier hearing, and such person shall, if he so desire, have a right to an immediate hearing within twenty-four hours at a convenient hour, such hearing to be before (a magistrate within the township or county wherein such offense was committed). Such officer shall thereupon and upon the giving by such person of his written promise to appear at such time and place forthwith, release him from custody. Any person refusing to give written promise to appear shall be taken immediately by the arresting officer before a magistrate within the township or county wherein such offense was committed. Any person who willfully violates his written promise to appear, given in accordance with this section, shall be guilty of a misdemeanor regardless of the disposition of the charge upon which he was originally arrested.

Questions on Rules of the Road

1. What is meant by reckless driving? What is the penalty for reckless driving?

2. What is the maximum speed at which a vehicle may be driven in each of the following cases: when passing a school during recess or during opening or closing hours; in a business district; in a residence district; on a highway outside of the business or residence district? What speed regulations must be observed in *any* zone?

3. What rules of the road apply to a person who is riding a bicycle or driving an animal upon a roadway? What lamp regulations must a bicycle rider observe?

4. What traffic signals and signs does the law require a vehicle driver to obey?

5. If the driver of a vehicle is involved in an accident in which property is damaged, what is his duty at the time of the

accident? What accidents must be reported to the police, and when should they be reported?

6. What is the penalty if a person drives a vehicle upon the highway while he is intoxicated?

7. In what position on the highway is a driver required to operate a vehicle? What are the exceptions to this rule?

8. What rules should drivers of vehicles traveling in opposite directions observe while passing each other?

9. What rules should the driver of a vehicle observe while passing another vehicle going in the same direction?

10. If the driver of a vehicle sounds his horn as a signal that he wishes to pass a vehicle traveling in the same direction ahead of him, what rules should the driver of the overtaken vehicle observe?

11. When is it unlawful to pass another vehicle going in the same direction?

12. When, if ever, may the driver of a vehicle drive on the left side of the highway while passing another vehicle going in the same direction?

13. When, if ever, may the driver of a vehicle pass another vehicle upon a curve in the highway?

14. What rules should the driver of a vehicle observe when approaching the crest of a grade?

15. In what position on the street approaching an intersection must a car be before turning to the left? Before turning to the right?

16. What are the proper signals to give when turning to the right? When turning to the left? When stopping? For what distance before stopping or turning should signals be given?

17. When is it unlawful to make a U turn?

18. Which vehicle has the right of way when two vehicles reach an intersection at about the same time?

19. What procedure does the law require when a police or fire vehicle sounds its siren, bell, or whistle?

20. When do pedestrians have the right of way over vehicles?

21. Is it lawful or unlawful to beg rides from the drivers of private vehicles?

22. Is it ever lawful for the driver of a vehicle to pass upon the left of any street car traveling in the same direction? When is it lawful to pass a standing street car? Is it ever lawful to drive through or over a safety zone?

23. When should the driver of a vehicle stop before crossing railway or interurban tracks?

24. What does the law require at boulevard stops?

25. What should the driver of a vehicle do when driving out of an alley or driveway in a business or residence district?

26. How should a driver park a vehicle on the highway outside the business or residence district? When is it unlawful to park at all on such a highway?

27. When, if ever, is it lawful to stop, stand, or park a vehicle, whether attended or unattended, in the following cases: within an intersection; on a sidewalk; between a safety zone and the adjacent curb; in front of a private driveway; alongside a ditch or steam shovel; alongside another vehicle parked near the curb; at a place where a "Parking Prohibited" sign has been erected?

28. Within how many feet from the following objects is it unlawful to park a vehicle: a flashing beacon; a fire hydrant; the driveway entrance to a fire station; the nearest rail of a steam or interurban railway crossing?

29. What does the law require when leaving a vehicle unattended?

30. When is it unlawful for several people to ride in the front seat of an automobile?

31. If the driver of a vehicle follows fire apparatus, at what distance must he keep? How near to the fire may the driver park his vehicle? When is it lawful to drive a vehicle over a fire hose?

32. When is it unlawful to display red or green lights on a vehicle?

33. Is it unlawful to use a "muffler cut-out" on any motor vehicle?

FINAL TEST for VOLUME I of THE BUSINESS OF LIFE

On pages 293 to 296 will be found 75 review questions covering Chapters I to X. The answers to the questions are to be written on a separate sheet of paper, not in the textbook. Arrange the numbers 1 to 75 in four columns on one sheet of paper, putting 15 numbers in the first column and 20 numbers in each of the other three columns. Put a dash (—) after each number. Leave a space of about an inch and a half after each dash in which to write the answers.

Section 1—VOCABULARY MATCHING TEST

Directions: The solution to this test consists in matching the definitions in Column I with the corresponding words in Column II. Read both columns carefully; then after each dash in your numbered sheet place the *number* of the word to which each definition refers.

Column I	Column II
1. Regular; natural; up to a common standard.	1. Acme
2. Fair; square; just; not prejudiced.	2. Aliens
3. Quick to feel pain or injury; easily affected.	3. Credulous
4. A tricky lawyer; a trickster; a trickish knave.	4. Chicanery
5. Foreigners; not citizens.	5. Derisively
6. Balance; graceful carriage of the body.	6. Immaculate
7. Extravagant; a very great deal; lavish.	7. Inclination
8. Highest point; summit; top; apex; climax.	8. Mania
9. Spotless; unsoiled; clean; faultless.	9. Misnomer
10. Leaning; disposition; desire; wish; liking.	10. Normal
11. Rage; craze; excessive enthusiasm.	11. Poise
12. Trickery; deceit; sharp practice.	12. Profuse
13. Easily imposed upon or fooled; simple.	13. Sensitive
14. A wrong name.	14. Shyster
15. Scornfully; mockingly; insultingly.	15. Unbiased

Section 2—MATCHING TEST

Directions: The solution of this test consists in identifying the statements in Column I with the corresponding terms in Column II. Read both columns carefully; then in the blank spaces of your numbered sheet place the *number* of the term to which each statement refers.

Column I	Column II
16. Animals do the things they do because of their	16. A consumer
17. Human beings do the things they do because of their	17. A creditor
18. The belief that stars influence human affairs is called	18. A debtor
19. A common American trait is	19. A defendant
20. Wrongfully taking an employer's money is called	20. A plaintiff
21. Wrongfully signing another's name is called	21. Astrology
22. The person against whom a legal action is brought is called	22. Astronomy
23. The opinion that others hold of a person is called	23. Burglary
24. Keeping one's mind upon what he is doing is called	24. Character
25. Teamwork is another name for	25. Concentration
26. The most common method of trying to get something for nothing is	26. Cooperation
27. Two poverty makers usually found hand in hand are liquor and	27. Egotism
28. One important function of money is its use as a measure of	28. Embezzlement
29. Often the largest part of the cost of an article is its	29. Emotions
30. The person who sells on credit is called	30. Exaggeration
31. The person who buys on credit is called	31. Forgery
32. A person who buys something for his own use is called	32. Gambling
33. The root of all evil and trouble is said to be	33. Instincts
34. "We must use it or lose it," is what Henry Ford says about	34. Knife
35. The habit of thinking and talking too much about oneself is called	35. Money
	36. Phrenology
	37. Reputation
	38. Upkeep
	39. Value

Section 3—TRUE-FALSE TEST

Directions: Some of the statements given below are true and some are false. If you think a statement is true, place a T after its number on the sheet which you have prepared for the purpose; if you think a statement is false, place an F after its number.

36. Any normal person can do or be anything he chooses.
37. People of low energy are of practically no use in the world.
38. Tenseness for long periods of time is an aid to good work.
39. The straight thinker questions almost everything he reads or hears.
40. Superstition is the result of ignorance.
41. A person who is always trying to reform others is usually unpopular.
42. A truly educated person has no respect for the uneducated.
43. Murder and robbery are examples of civil wrongs.
44. An act may be both civil and criminal.
45. The loser in a civil suit must pay the attorneys for both sides of the case.
46. The fingerprints of many people are identical.
47. Practically everybody must share in the cost of crime.
48. Rules of etiquette change from time to time.
49. Good manners no longer require a man to remove his hat when meeting a woman.
50. When introducing two people, it is correct to present the gentleman to the lady.
51. Personality is another name for character.
52. A person with a strong personality may have both strong and weak qualities.
53. People of little education often have much influence over others.
54. Character is usually developed after a person reaches twenty years of age.
55. Leadership, judgment, and thinking ability are necessary for a good character.

Section 4—TRUE-FALSE TEST

56. A person is more likely to succeed in doing a thing he likes to do than in something he dislikes doing.
57. A person is more likely to be successful if he aims at half a dozen things than if he aims at one thing.
58. Most successful people are practically friendless.
59. We should train our memories to retain everything.
60. If property or money belongs to a person, it is no one else's business if he wastes it.
61. Avoidance of unnecessary work is a sure mark of laziness.
62. It costs more per mile to drive an automobile at high speed than it does at a moderate speed.
63. Gambling is one way to create wealth.
64. Medical science finds it practically impossible to cure the dope habit.
65. The real value of an article is what it costs to produce, transport, and sell that article.
66. Value and price mean the same thing.
67. Raising the price of an article usually results in less of it being bought.
68. The fact that an article is nationally advertised guarantees that it is good.
69. By using chemical preservatives, it is possible to make decaying foods wholesome.
70. If a person is honest, failure to meet a debt promptly does not weaken his credit rating.
71. Most people who have regular employment are good credit risks.
72. When a person writes his name on the back of a note, he guarantees its payment.
73. We can learn valuable lessons from both successful and unsuccessful people.
74. It is usually safe to follow anyone who has the qualities of leadership.
75. A person can be graduated from high school and college and still not be educated.

PART II

Word Study for Chapter XI

SECTION

258. **Sponger**—one who lives on others; a parasite.
262. **Sordid**—mean; low; filthy; dirty; greedy of gain.
Moral—practice of right conduct; just; righteous.
263. **Variation**—change; difference; variety.
265. **Commodity**—merchandise, produce, etc., bought and sold for profit.
268. **Aptitude**—bent or turn for some activity; ease in learning.
Faculty—ability to do; talent; special endowment.
Spontaneous—natural, without outside force; voluntary.
Intuition—that which is known without study or reason.
269. **Vice versa**—turned about; reversed; opposite in order.
270. **Temperament**—physical or mental character of a person; disposition.
271. **Versatile**—many-sided; turning with ease from one thing to another.
Mediocre—ordinary; medium; average; commonplace; middling.
Chafe—fret; fume; irritate; rub.
Inferior—of lower rank; of less importance; of poorer quality.
273. **Scorn**—to scoff, despise, disdain; to make fun of.
277. **Mission**—service; trust; duty; errand; office.
278. **Menial**—having to do with servants; servile; low.
279. **Merge**—combine; join; unite.
280. **Stock company**—(theater) a company of actors who travel from place to place presenting a variety of plays.
Aspirant—one who hopes, yearns, or desires to reach a certain goal.
Diction—choice of words; expression; language.
282. **Hostler**—one in charge of horses at an inn or stable; groom.
Liveryman—one who rents or boards horses for pay.
Lime burner—one who produces lime by burning limestone or shells.
Armorer—one who makes or repairs armor or firearms.

283. **Vampire**—a person who preys on others.
285. **Duration**—time during which a thing lasts; period; term.
Native—born with one; original; natural.
287. **Rural**—country outside of cities; rustic.
Therapy—having to do with discovering and applying remedies for disease.
288. **Anticipate**—hope for; look forward to; expect.
291. **Fabulous**—like a fable; unbelievable; astonishing.
292. **Constructively**—in a way that builds up instead of tears down.
Alert—lively; wide-awake; active.
293. **Dearth**—lack; want; scarcity.
294. **Environment**—surroundings; circle; neighborhood.
296. **Civil service**—government service, appointments being made from a list of those who pass an examination designed to test their fitness (physical and mental) for such work.
299. **Trend**—tendency to go in a particular direction.
Allied—related; joined together.
300. **Botany**—science of plants.
Entomology—science that treats of insects.
Bacteriology—science that deals with the study of bacteria (tiny organisms, including disease germs).
Veterinary—of or pertaining to the art of healing the diseases of domestic animals.
Horticulture—art of growing fruit, vegetables, and plants.
Business cycle—phases of business; course experienced by business, as prosperity, decline, depression, improvement.
Parliamentary law—rules used in conducting the business affairs of a club or society.
301. **Cajole**—coax; wheedle; flatter; deceive by fair words.
Commission—an allowance made for doing business for another.
Canvass—to go from house to house trying to sell goods or get orders.
302. **Disdain**—feeling of contempt, scorn, haughtiness, or pride.
Predominate—to be greater in number, strength, or influence.
303. **Ingenuity**—cleverness in designing or inventing.
Substantial—real; true; strong; considerable.
Venom—poison from the bites of snakes, etc.; spite; malice.

Pretest for Chapter XI

1. What is the difference between the business of life and the business of living?
2. What does it cost in money to maintain an average American family for one year?
3. Name several things so rare that their possessors can earn a great deal of money from them.
4. Explain what an avocation is. How does it differ from a hobby?
5. Why is a good aviator likely to make a poor gambler?
6. Tell why you think you have or have not the ability to direct the work of others.
7. At about what age are baseball players considered too old to play professional baseball?
8. What is the average number of years that girls work before getting married?
9. Tell why you believe that housework and gardening are or are not dignified ways of earning a living.
10. Which school subjects should be most valuable for a person wanting to get into moving pictures?
11. What trades existed when your father or mother were children but do not exist today?
12. Are machines destroying more jobs than they are creating, or vice versa?
13. Who do you think needs more knowledge, a farmer or a salesman?
14. What do you think of the occupation of chef?
15. How many kinds of jobs can you name that a boy or a girl can work at during vacation time in order to earn money?

CHAPTER XI

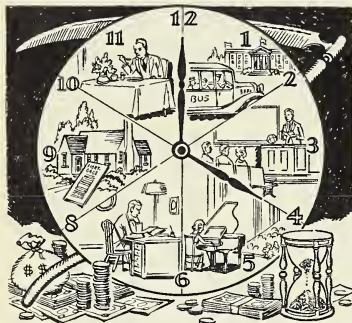
MONEY-EARNING SERVICES

257. **The Business of Living.** The successful journey of life, we learned in Volume I of this text, demands a constant development of our physical, intellectual, moral, social, and spiritual selves—*the business of life*. The journey further requires that we sustain ourselves, that is provide food, clothing, and other necessities for living, just as soon as we can—*the business of living*. In doing this we must make use of many services rendered by others, and we need to learn how to get the greatest value from these services at the least possible cost. The business of living occupies the greater part of the time, thought, and effort of most people after they leave school. It is a business in which all are partners. Every person receives much from the hands of others, and owes something for everything that he receives. The world expects every person to contribute something to the welfare of all.

258. **Every Person a Contributor.** Our offering to society may be of any kind; it does not necessarily have to be in the form of physical labor or money. Our contribution may be love, beauty, entertainment, intelligence, skill, or the creation of happiness for others. The person who looks after, comforts, and helps another who actually earns money deserves as much credit as the person who gets the pay check. Anything that one member of a family may do to decrease the efficiency, comfort, or happiness of the money-earner in the family robs that family instead of contributing to it. When people cooperate—work together and help each other in every way—there is happiness for all. When one member of a family becomes a sponger, expecting everyone else to contribute to his comfort and happiness while he lolls around and does

nothing, that family is bound to experience a certain amount of unhappiness.

259. Expenses Never Cease. Every hour that we live is costing money. After we are out of bed in the morning, someone must pay for the breakfast we eat, pay the fare on the bus that hauls us to school, pay for the buildings in which we



Every hour of the day and night our expenses of living keep going on. Interest or rent accumulates while we sleep.

study, pay for the textbooks which we use, and pay the teachers who help us to learn. Someone must pay for the lunch we eat at noon. If we have any form of entertainment in the afternoon, someone must pay for that also. Someone must pay for the dinner we eat in the evening, the heat that warms us, and the light by which we read. While we sleep, it costs money to pay the rent on our home, or the interest on the money

that we have invested in a home. When we are sick, nurses and doctors may serve us day and night, but these people cannot afford to work for the glory of service alone. The business of living costs money, and the sooner we are able to relieve of their burden those who are now supplying this money for us, the less we shall owe to mankind. Even if the services we can render are not valuable enough to pay for all that we receive from others, any contribution is better than none at all.

260. The Need for Exchange. Man needs and wants a countless number of things on the journey through life. A few of these things he can produce with his own hands, but for the most of them he must depend upon other people. Everything that we eat, drink, wear, or enjoy, except sunshine, air, and rain, is the result of effort on the part of some person. Nearly

everything that we use between morning and night has cost someone labor, perhaps hours of hardship in the burning heat or the freezing cold. It is only natural that the person who spends his time and labor in doing something valuable for us should expect that we do something for him in return. He is entitled to something in exchange. He also must live. Children frequently exchange marbles, jackknives, or toys for other things which they would rather have, but they discover that it is often difficult to find someone having what they desire and wanting what they have to offer in exchange for it.

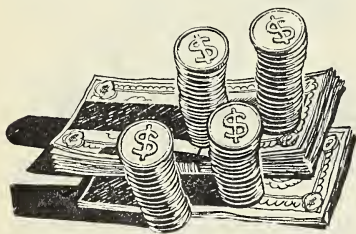
261. What Can We Exchange? People live by exchanging products or services which they have for the things which they need and want. Others will exchange with us only when we have something that they want. When someone gives us anything on any other basis, we are accepting charity, not paying our own way. Society is willing to take care of, when necessary, those who are aged, infirm, or otherwise prevented from producing products or from rendering services. In former years children were expected to earn their keep at a very early age, but today they are expected to stay in school until they reach an age at which they can do the same work and command the same pay as adults do. The most common thing everyone has to exchange is personal service—selling newspapers or magazines, for example; or shining shoes, washing windows, caring for lawns, giving music or dancing lessons, etc. When a person does any of these things on his own responsibility, he is said to be in business for himself. When he does such things indirectly through a middleman



The most common thing every person has to exchange is some form of personal service. The services of a bootblack may be just as honorable as the services of a professional man.

who secures the job for him and guarantees him his pay, the worker then becomes an employee. In either event it is always necessary that the services one has to offer be what the world wants and is willing to pay for. One cannot earn a living by doing any other kind of service.

262. Money the Best Means of Exchange. The easiest thing to exchange is something that everybody wants. We know that there is only one thing of that kind, and that is money. There is scarcely any place on earth where money will not get us the thing we need. Money is the yardstick by which the value of whatever we wish to exchange is measured. The only way by which we can measure our value to the world is by doing something for which others are willing to pay us money. The money that we get seems to be the world's measure of what we are worth. Some people will say that making money is sordid—that we should feel superior to money considerations; but these same people avoid explaining who should pay our grocer, doctor, dentist, and others who labor



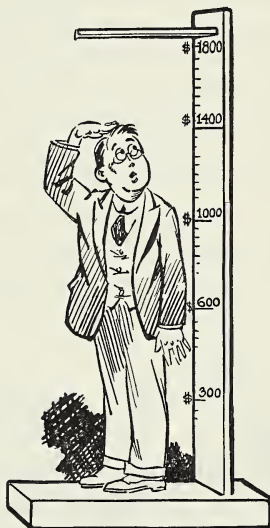
The easiest thing to exchange is something that everybody wants. We know that there is only one thing of that kind, and that is money.

to keep us alive, healthy, and happy. Making money is *not* sordid. It is as moral as anything we can do. It is the only thing that everybody will accept in payment of the debts which we all contract. We must sooner or later learn to do something that we can exchange for money. We are going to get out of this world no more than we put into it,

a lesson which Dr. Frank Crane says it is "more important to learn than arithmetic, geography, physical culture, or French."

263. The Cost of Living. Very few high school students have the slightest idea of what it actually costs in dollars and cents to maintain them. When they are through school and go out into the world to earn their own way, they soon find

out what it costs to live. A single person having no one but himself to support can usually get along comfortably on sixty dollars a month, but would find it difficult to do so in a large city where room rents are high. Prices of food and clothing are nearly the same throughout the country, the variations in different localities not being enough to make much difference. In the maintenance of a home, however, expenses vary considerably in different parts of the country. In the operation of an automobile, which takes a large share of the income, the costs vary the most. In some states the cost of gasoline may be eleven cents a gallon, while it is selling in other states for as much as twenty-six cents a gallon. Most families are unable to live up to the average American standard without going into debt. The average family consists of four persons, and in normal times the average income is \$1,400 a year; the debts of the average family are said to total almost \$400, half of



The average family has an income of not more than \$1,400 but requires \$1,800 to maintain the simplest American standard. The average man usually finds himself about \$400 short of reaching his needs.

which is for instalment buying. This means that the average family needs an income of at least \$1,800 a year in order to live comfortably and securely according to American standards. The findings of the Brookings Institution¹ show seventy-one per cent of the families in the United States to have received less than \$2,500 in the boom year of 1929, and that was when money was plentiful; doubtless the figures are much lower now.

¹ A bureau set up for scientific economic research.

264. Standing On Our Own Feet. One of the greatest thrills we ever experience is when we discover that we are able to stand alone without any props or support from anyone. Earning one's own living is an everlasting satisfaction. It is not uncommon to find cases in which a boy or a girl has scorned the support of wealthy parents and has gone out into the world and made a living for himself through his own efforts. Such cases as these deserve the highest praise, because these young people in doing something that they are not compelled to do, show great strength of character. Any person, in fact, becomes stronger by carrying his own burdens.

265. What Are We Worth? It is not what we think we are worth, but what others think we are worth that sets the price on our service and determines how much money we are going



It is not what we think we are worth, but what others think we are worth that determines how much money we are going to earn.

to make. There is truth in the old saying, "If some people could buy themselves for what they are really worth and sell themselves for what they think they are worth, they would make a big profit." Labor is a commodity, just like bread, beans, bricks, or diamonds.

The scarcer a commodity is, the more it is worth. When we are able to perform some service better than most other people can perform it, we can set a high price on our labor. Because many people will be wanting our services, and because we cannot supply everybody, we can make those whom we do supply pay high if they want us. When there are many people able to do just as good work as we can do, it is not so easy for us to demand a high price for our labor. There is always someone willing to work for less than the usual price in order to get a job. There are four things which command big pay because they are so rare: talent, skill, beauty, and expert performance.

266. **Vocations and Avocations.** One's vocation is his calling, his occupation; it is the trade or profession which, if he devotes himself wholeheartedly to it, provides him with his bread and butter. A person's avocations are the things to which he devotes time outside his vocation—activities which he considers necessary to his well-being and happiness. He expects other rewards than money to come from his avocations. A hobby is something which one does primarily for his own personal pleasure, and with some people a hobby is merely something for killing time. It is difficult to give the exact difference between an avocation and a hobby, to say where one ends and the other begins. A person may make money from an avocation, but not often does he make money from a hobby. Hobbies may be automobiling, golfing, gardening, bridge playing, reading, writing letters, listening to the radio, or many other such things. Avocations may be soliciting help for the poor, forming clubs that get lonesome strangers acquainted, piloting boys and girls on mountain hikes, photography, bookbinding, music and dancing, or raising rare specimens of animals or plants. It will be noticed that a man's avocation is of value not only to himself but also to others, while a hobby is primarily for one's own enjoyment. The value of an avocation may be greatly increased if, when selected, one chooses something that can be turned into a vocation when necessary.

267. **Avocation May Become a Vocation.** During the recent depression many persons would have been on the relief rolls had they not, fortunately, had an avocation which they were able to turn to use in earning a living. There are times when one's avocation may be more in demand than his vocation; for example, a cartoonist may find that during hard times people will not spend their money for funny pictures, but that they will spend it for photographs of themselves. If the cartoonist's avocation happens to be photography, and he is an expert, he can set up his business at home and make a liv-

ing. One man's avocation, which was modelmaking, not only saved him from the bread line but also grew so successfully during hard times that it later became his vocation.

268. One of Life's Hardest Problems. "One of the hardest things in the world to discover is one's own aptitude," says Owen D. Young, head of The General Electric Company. He suggests that young people ask themselves the following questions: "What is my mission in life? What is my work? What are my talents? What faculties do I possess? What am I best fitted for?" Nearly every young person could well afford to give all he has, and will have for several years, to anyone able to answer these questions correctly; but no one except himself can answer these questions, and then he is able to do so only after long and careful consideration.

It is a very rare and exceptional case when a beginning high school student can decide what he is going to follow as his life work and then make the necessary preparation for it. Some time each day, however, during the four years should be devoted to thought and study on the important matter of how one is going to earn a living. No one should expect to decide such a vital question on the spur of the moment. Some young people change their ideas many times about their life work before they finally choose it. We find ourselves intensely interested in a certain work for a short time until something else comes along that looks more attractive. Careful observers tell us that spontaneous interests die out every half year. Owen D. Young gives this advice also:

"Make up your mind what you want to do and go after it—don't be responsible to anybody else. Your own intuitions about yourself will tell you more than anybody else can tell you."

Perhaps the best scheme in planning your future work is to get together a list of the things that you feel you might like to do, and for which you think you have ability and talent; then investigate these things in detail. Every good library

has vocational books listing the various occupations as well as books giving specific information in detail about any of the vocations which you choose to consider.

269. What to Think About First. There are many things to take into account when thinking about the selection of a life work, but perhaps the first thing to consider is your individual make-up. This subject was studied in the first chapter of *The Business of Life*. Remember that you are different from every other person in the world. The combination of characteristics that you possess may make you a great success where another person would fail, and vice versa. The qualities that make for a good mathematician may be a handicap to one's becoming a good artist or a skilled musician. The qualities that make a successful speculator are generally a hindrance to the man wanting to be an aviator, a locomotive engineer, or other worker who must not take chances. When considering a life work, one should not forget the combination of qualities, good and bad, which are natural to him and therefore likely to be with him all through his life.



No one person can possess all the good qualities. A good speculator is supposed to take chances; a good aviator is not supposed to take risks. It would be difficult for any person to cultivate both these qualities.

270. Vital Questions to Consider. In the study of choosing a life work, the following questions should be given serious consideration in the order listed:

1. Is there an actual need and demand for the kind of service I am planning to offer, and is this need or demand likely to continue over a long period of time?
2. Have I the natural disposition, temperament, personality, or combination of faculties that make a person successful in the work of my choice?
3. Have I the physical and mental ability required for that kind of work?

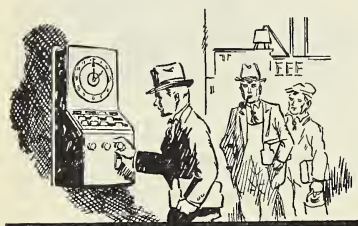
4. Have I the education, or can I get the education that I must have in order to follow the line that I choose?

5. Does the line that I expect to follow offer chances for promotion and advancement, and shall I be happy in my work in that line?

6. Is the line young, like myself, or is it middle-aged or old-aged?

7. What is the competition, and shall I be able to meet it and overcome it?

271. Work for Yourself or for Others. The second important consideration in the selection of a life work is whether you are going to work under your own direction or under the



Certain persons chafe at having to punch a time clock when starting and quitting work. Such persons may do better by working on a commission basis.

direction of someone else. If you are unusually skillful, versatile, or gifted with originality or inventive genius, you may attain far greater success by working for yourself than by being employed by others. Many very mediocre men get rich by employing high-class men to work for them. These high-class men in many cases, if only they realized it, could

do the same fine work for themselves that they do for others, and make themselves rich. Some people can do excellent work when someone directs them, but they seem to be unable to work under their own direction. Such people should always let others employ them. Then there are certain people who chafe at having to punch a time clock when starting and quitting work every day, and they dislike taking orders from someone whom they consider their mental inferior. Such people usually do well in working for themselves, and there is scarcely any limit to the number of hours that they work when they are bossing themselves. Certain persons have trouble in getting along with others. If a person happens to be one of

these, it is doubtful whether he can make himself over; but if he improves his social personality as much as he can and looks for a career in which social virtues are little required, he will probably have a successful life.

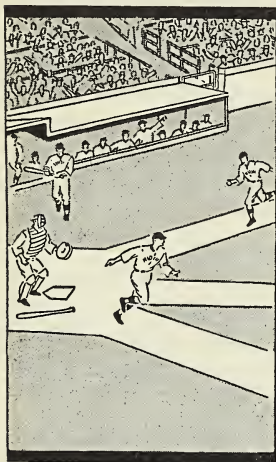
272. Being Your Own Boss. When we are in business, we may think that we are independent and won't have any boss. Here is where we are mistaken. Everyone to whom we render a service is our boss, and unless we satisfy him, we soon fail. Most people are poor managers; they cannot even manage themselves, and they succeed much faster when under the direction of persons who are good managers. Many a man who tries to be his own boss fails because it is difficult to keep himself on the job; he yields to the urge of going in for amusements when he should be attending to his work. It is an exceptional case when a person is able to discipline himself.

273. How Much Education Is Needed? Every boy and girl should go through high school today for the general education that everyone is expected to have, regardless of what kind of life work he may follow. Beyond the high school each person may decide for himself what further education he should have, or whether he is capable of profiting from any further schooling. It is a waste of time and effort to try to make lawyers, teachers, scientists, doctors, or preachers out of people who prefer and are better fitted to become foresters, mechanics, farmers, sailors, or chauffeurs. True education nourishes what nature has produced; forced education scorns nature and attempts an impossible task—to mold a man according to pattern.

274. Early Start Necessary. Nothing can ever take the place of practical experience out in the world. It requires much time to get this experience, and our time for getting the most out of such experience is very limited. Never before has the time element been so important to a successful career in some fields as it is at present. Most professional baseball players are ready for the shelf when they pass thirty years of age, and the big money for the wrestler or prize-fighter begins to

dwindle when he is about the same age. Expert skills are acquired in youth, not in middle age. Only a very few people are ever paid for what they know. The world pays most of us for what we can do, not for what we know. Accumulating a vast storehouse of knowledge affords certain persons much

enjoyment, but it does not solve their problem of living. One must know how to put knowledge into use in order to earn a living.



Professional baseball pays well but is not a lifework. Many players are ready for the shelf when they pass thirty years of age.

275. Girls Need Training. "Every girl, no matter whether she is the daughter of a millionaire or the daughter of a laborer, should be prepared to earn her own living, not only in one but in several ways," declares Geline MacDonald Bowman, president of the National Federation of Business and Professional Women's Clubs, and herself a successful business woman in Richmond, Virginia. She continues:

"One of the most pathetic pictures painted by the depression was that of the untrained woman, sure of financial security, only to have all

her resources wiped out and herself thrown unprepared on a world of unemployment. One profession or skill is not enough. Our economic pattern changes so rapidly that a profession, a business, or a trade may be eliminated practically overnight. A woman must have a substitute ready." Some of the most highly paid stars on stage and screen were forced to stand in the bread line in recent years because there happened to be no market for the one thing they depended upon for their salary. "Yes, I'm scared," whispered the woman who danced in the Ziegfeld shows from 1919 to 1924, and won fame as the highest-paid chorus girl on Broadway. Turning to the present, when

she found herself asking aid because she could not pay five dollars for her weekly room rent, she said: "I'm not trained to do anything but look beautiful."

276. Girls' Work May Be Temporary. Girls do not have the same problem in choosing a life work that boys do. Dr. Roy N. Anderson, personnel investigator of Teachers' College, Columbia University, says: "It is a known fact that approximately 80 out of 100 women marry and follow the vocation of homemaker. At Lake Erie College four-fifths of the girls were married within five years after graduation. Their careers outside of the home averaged from one to five years in length." Nevertheless, no girl knows but that misfortune may force her to earn her own living in later years; therefore it is a good plan for girls to prepare themselves for some definite line of work in case necessity forces them from the home into the working world.

277. Too Much Pride May Mean Failure. Every person has a mission to fulfill in this world. A little thinking is all that is necessary to understand why nature does not make every person a genius. People are needed for the thousands of various kinds of work to be done, and it would be unfortunate for all of us if we could not get the services of all classes of workers. Young people are inclined to be shy of any kind of work which they think is not dignified, and



During the depression false pride kept many white-collar workers from accepting employment. Some men are not willing to don overalls or soil their hands.

they sometimes waste many valuable years of life in trying to be something that they are not fitted by nature to be. During the depression it was discovered that this country had many more white-collar workers than it could use. Many of these white-collar workers were idle and on charity, while other workers, who did not have too much pride to wear overalls and get their hands soiled, were working steadily and earning a

good living. Any kind of work, so long as it is honest, should not be shunned, and the snobbish person who looks down on the servant in the household or belittles the man with the pick and shovel in his hand, simply shows his ignorance. We cannot judge the character of any person by the kind of work that he does. Some of the finest characters may be found among gardeners and housemaids. Regarding the work of the latter, Mrs. Alexander M. Hadden, president of the Girls' League Service of America, remarks:

"It would serve a good purpose in this country if young women would get over their prejudices against housework, which can be made just as dignified an employment as that in offices or factories." She says that housekeeping and housework are the only feminine fields in this country in which the demand exceeds the supply.

278. Overlooking Opportunities. It is natural for many to feel charitable toward a rag picker, junk dealer, errand boy,



or bellboy in a hotel, because they believe that these persons have a hard time making a living. When the truth is known, many of the menial workers can buy and sell the average office clerk or other white-collar worker.

American boys are inclined to overlook many opportunities for money-

making in their desire to sit at a polished desk for \$18 or \$20 a week. Foreigners coming to this country seem to have a special knack in picking kinds of work that bring in real money, due perhaps to the fact that the foreigner is more interested in making a living than in making a show.

The income in the form of tips received by certain persons who come in direct contact with the public, especially the traveling public, sometimes is so great that the management requires a sum of money each month from the servants in

return for the privilege of working for the concern. A bellboy in one of America's leading hotels says:

"Among the bellboys in first-class hotels you will find many college graduates, civil engineers, accountants, artists, teachers, and lawyers. They are hopping bells because they want to, not because it is the only work they can do. There is money in this hotel game; dimes and quarters pile up. We have two boys here who own apartment houses, one who owns a beauty parlor employing eight people, and another who owns a large market. But money is not the main reason why most of us keep at this work until we are old and gray. We stick because hotel work is too fascinating to give up."

279. Money in Running Errands. The head of the United Parcel Service, which delivers packages by the millions in many cities, started a bicycle-delivery service for several small stores in Seattle before he was twenty years of age. He merged his business with that of a competitor who had the foresight to use a motorcycle, and the two then purchased a Ford truck. They formed a company which has grown so big that it is today delivering ninety per cent, or more, of the retail parcels in such cities as Seattle, Los Angeles, Oakland, Pasadena, and New York. Its New York fleet now consists of nearly 1,000 cars, delivering for almost 300 firms. This company's success is due to its rendering intelligent service and demanding proper conduct among its employees. Those who apply for a job as deliveryman with it must pass an intelligence test. They must memorize 138 rules, among which are: not to scuffle or engage in loud talk, whistle or yell at people on the street, splash pedestrians with mud, walk on lawns or gardens, or complain if asked to lay a rug. Deliverymen are fined fifty cents for needing a haircut or for having rolled-up sleeves. They are fined a dollar for smoking or for using profanity.

280. Getting Into Moving Pictures. The motion picture stars of the future are today attending high school somewhere in this country. Maybe one is in your school. Until recent

years the training ground for motion picture stars was the stock company, which traveled over the country giving performances in every city. In these theatrical troupes, girls and young men had a chance to discover their native ability and to learn the requirements for success on the screen. Many of our present-day motion picture stars received their training and established their reputation early in life while playing minor roles in stock companies and musical troupes. These traveling organizations have almost disappeared, and only an occasional stock company is found today in the largest cities. The old avenue for experience on the stage is closed. The new avenue is through dramatic and musical organizations sponsored by local people in a community. Growing in importance is the dramatics department of the high school. Here girls and boys have a chance to discover whether their dramatic talent is worthy of further cultivation. Success in high school dramatics should encourage one to strive for similar success in college. Warner Baxter, film star, gives the following advice to screen aspirants: "College is a definite asset, and with the passing of the old-time stock company, collegiate dramatics are the logical training schools. After one's graduation from college is the best time to begin a movie career. Success in the movies is ninety per cent personality, and college life tends to develop this. You cannot be too well equipped for the screen. I would advise a thorough study of English, diction, and foreign languages. A person interested in a movie career should include physical education courses in dancing and carriage."

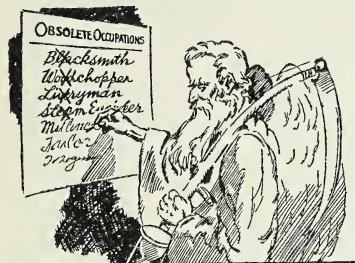
281. Beware of Fake Schools. Millions of dollars have literally been thrown away by young people who have tried to learn an occupation by mail. Out of every hundred pupils enrolled by correspondence schools, not more than three or four ever get to first base, and perhaps only one or two make a home run. It is possible today to learn many things by correspondence provided that a person is a real student to begin with, and that he has the backbone for driving himself and keeping everlastingly at his studies. Students who fail in

their home schools seldom accomplish anything by correspondence. There are many schools advertising to train "ambitious" persons for large earnings in a definite short time—and for a definite sum. They urge you to send samples of your work—drawing, writing, cartooning, etc., and their first letter (the same letter is sent to all) speaks very glowingly about your talent. The advertised price of such courses starts very high; if you resist long enough, the price is eventually reduced to about half of the one quoted originally. Contrary to the statements in the advertising, there is no market for non-professional work, such as sketches, drawings, or manuscripts. More than average talent is required to make a success in these crowded fields.



The eternal question: "What can I learn to do and where can I learn?"

282. Occupations Now Obsolete. During the last fifty years many trades and occupations which formerly furnished a good



One by one Father Time checks off the list occupations that do not fit into modern living.

living for many persons have disappeared or are no longer worthy of consideration by young people today; for example, it would not pay to become a blacksmith, hostler, liveryman, lime burner, cork cutter, armorer, or harness maker. The railroad played havoc with the canal boatmen and stagecoach drivers; the airplane will probably do the same to the workers of the railroad and automobile bus lines. The world moves right along, and many of the trades and occupations of today may be forgotten in another twenty-five years.

living for many persons have disappeared or are no longer worthy of consideration by young people today; for example, it would not pay to become a blacksmith, hostler, liveryman, lime burner, cork cutter, armorer, or harness maker. The railroad played havoc with the canal boatmen and stagecoach drivers; the airplane will probably do the

283. Occupations to Avoid. The world wants many things; some of the things it wants are wicked and harmful, but most of the things it wants are sound and good. There are so many honorable ways of making a living that no one needs to offer the excuse that he is forced into a shady line of work in order to obtain a living. Unfortunately there is a large class of people desiring to live off others in some way. They want to enjoy a "rake-off" or profit by some form of graft instead of getting right down to the elemental duty of producing something useful. There are many who want to ride but do not want to pull. These people are the drones, schemers, grafters, "lounge lizards," speculators, parasites. All those who live off the labor of others without giving or intending to give anything in return represent the vampires sucking the lifeblood of society.

284. Opposition in Every Occupation. In advice to young people choosing a life work, we are likely to hear the following expression, "Choose a line in which there is not much competition." Such an expression is absurd. There is probably not a single occupation in which there are not more workers than actually needed. The very moment a new field is uncovered which offers any kind of a reward, a swarm of people is instantly prepared to go into that field. Let a man discover a vein of rich ore in the wildest mountains today, and almost at once scores of people will appear to compete with him. We always find the most people where the most money is, which accounts for the large populations in the great cities of the country. Likewise, we always find the most people following the lines of work which are worth while. Any line of activity in which we find very few followers may be looked upon with suspicion. Occasionally a person is able to discover a new and unique service that has been overlooked or made possible by other recent improvements in industry and business. By working quietly and avoiding any display of prosperity, he may accumulate considerable money and become well established before others get into the field to compete with him.

FIELDS OF OCCUPATION—Unit 2

285. **A Changing World.** It would be an almost hopeless undertaking to attempt to learn about the many hundreds of vocations included in the professions, arts, sciences, commercial enterprises, trades, and skills. Reliable information on these many occupations is very difficult for anyone to secure, and the duration of demand for any kind of work is very uncertain because no one knows how soon new methods or inventions will displace it. The best thing a young person can do is to study the general fields of occupations and then try to decide which field appeals to him and provides opportunity for using his native qualities to advantage.

There are six major fields of employment: the professional, the technical, the entertainment, the executive, the skilled



The six major fields of labor: professional, technical, executive, entertainment, skilled, and unskilled.

trade, and the unskilled labor. The occupation of every worker may be classified in one of these fields. We shall now consider the qualities and the education or training necessary for success in each field.

286. **Professional Field.** The professional field includes workers engaged in the ministry, medicine, or law. These are the only true professions. People who aspire to these professions should satisfy themselves that they possess the following qualities: exceptional scholarship and untiring ability for long and continuous study; excellent physical health and endurance, especially in the medical field; exceptional power in gaining the respect and confidence of others; sufficient money

available to carry one through several years of college and, in the case of the doctor and lawyer, to provide a living during the first few years while getting established. It must be remembered that a physician must buy several thousand dollars' worth of instruments and equipment before he can hope to practice, and that a lawyer must have an expensive library of law books with which to equip his office, unless he works for someone else. Of course there are some men who have worked their way through medical or law school and have been able to get someone to finance their equipment needs, but not many are so fortunate. The average young person should not count too strongly on his ability to be an exception to the general rule.

The subjects to study while in high school that will be of the greatest benefit to a person hoping to follow a profession are those known as the college preparatory subjects; to these might be added as electives, typewriting for the ministry; shorthand, typewriting, and bookkeeping for the law field; and biology and chemistry for the medical profession.

287. Pay and Competition. The professional field is one in which there is scarcely any limit to the amount of money that *may* be earned by its most successful members. The pay for services in this field is determined largely by reputation. The following figures, supplied by a recent survey made by the medical profession, reveal that the average yearly net income of physicians throughout the United States is \$5,509. The average yearly net income of rural physicians is shown to be \$3,152. General practitioners receive an average net income of \$4,188 a year; specialists average yearly net incomes ranging from \$4,290 (physical therapy) to \$9,233 (surgery). Ratios of specialists to general practitioners range from one to thirty-one in rural communities and are of nearly equal proportion in the largest cities. The survey shows that a physician arrives at his highest earning power during his eleventh to twentieth years in practice, during which time his average net income is \$6,330. The Medical Association now estimates that there are 25,000 more physicians than the country needs. In almost

every community there are many more lawyers than needed. The recent economic crisis has made it difficult for many churches to exist. This has brought about a movement to merge several churches in a community and to employ one well-paid pastor. This plan, of course, greatly decreases the number of ministers required. Present indications are that in all of the professions only the best persons will secure an opportunity for profitable practice.

288. Technical Field. All trained workers, such as chemists, engineers, technicians, scientists, statisticians, architects, draftsmen, accountants, and teachers, are said to be in the technical field of employment. Workers in this field need at least a high school education, and in most cases some college training or graduation from college. Many technicians, however, who are in business for themselves, acquire the necessary advanced skill through self-education, as their particular needs require. A technical worker must study continuously if he is to rise far enough to make more than a bare living. Persons who do not like to study or work at night will not get far in the technical field.

The subjects to study while in high school that will be of greatest benefit to a person hoping to work in the technical field should be those most closely related to the anticipated vocation. If college training is necessary, the subjects required by the college must be studied. Those individuals, for example, preparing for engineering should study high school mathematics, physics, and chemistry; prospective architects should study mathematics and freehand and mechanical drawing. Ask your teacher or principal to get you a college catalog; then study and find out what preliminary work is required for your chosen occupation. Commercial pupils will do well to study the courses offered in the school which they attend, together with such other subjects as will give them a well-rounded education. Those expecting to be stenographers should take every opportunity to become proficient in the use of the English language.

289. Pay and Competition. With the exception of public school teachers, there is no fixed schedule of pay for workers in the technical field. Each worker is usually paid according to his ability, and since the supply of good workers in this field always exceeds the demand, there is a limit to the pay one may demand. Successful chemists, engineers, and architects may receive salaries as high as \$10,000 a year, but the most of them receive much less, and some can find no employment. Draftsmen, accountants, and stenographers usually earn from \$1,000 to \$2,000 a year. Salaries of grade school teachers range from \$600 to \$2,000 a year, while high school teachers' salaries range from \$1,000 to \$4,000 a year. In a few eastern cities, experienced elementary teachers receive as high as \$3,500, and high school teachers as high as \$4,500.

The highest pay in the technical field is possible in salesmanship. There is almost no limit to the amount that a salesman may earn if he has the ability and is able to stand the demands of the work. Pitkin claims that expert salesmanship burns up the energy of a person faster than any other line of work. Competition in the bookkeeping and stenographic fields is exceedingly great because of the short time required in preparation, and because of the number of persons going into that kind of work as a side line to make a little money while they are preparing for something else.

290. Entertainment Field. In the entertainment field we find those who possess the faculty or the combination of faculties necessary to amuse or entertain others: actors, singers, dancers, musicians, humorists, radio and vaudeville artists, sculptors, painters, prize-fighters, and wrestlers. Success in the entertainment field is not so dependent upon a great amount of general education as it is upon native ability to do something original, unique, or unusual. Persons with no such native ability fail to make a success in this field. Nearly every successful entertainer has discovered his talent at an early age and has cultivated it untiringly. Even with natural talent, the success is dependent upon hard work. It is doubtful

whether any other field requires as much hard work for success as does the entertainment field. Those who do not incline to hard work will not get far in this occupation. The subjects to study while in high school that will be of the greatest benefit to a person hoping to become an entertainer depend upon one's talent and the work for which he is preparing. High school courses that train one for work in the entertainment field are offered in the art, music, dramatics, and physical education departments.

291. Pay and Competition. In the entertainment field the pay is more uncertain than in any other. Only nationally famous people are able to command big salaries. What may appear a fabulous price for work in this field shrinks to a very small sum when all the necessary expenses are considered. Entertainers, unlike other workers, cannot wear the same old clothes day after day; they have to pay out of their own pockets for trainers, coaches, and caretakers. Furthermore, periods of employment are very uncertain. A salary of \$150 a week is not much if the worker is employed only a few weeks during a year and is unable to follow any other line of work. A check for \$150 in payment for singing two songs is not great if one can get this only once a month. Top-notch prize-fighters and wrestlers have by far the greatest incomes of any in the entertainment field; but their ability to stay at the top is limited to a very few years, and most of them reach old age in poverty. There is an unusual amount of competition in the musical field, the most serious of which is with amateurs, often very accomplished, who are willing to perform in order to get some publicity. These amateurs depend upon other kinds of work for their living. The least competition is among the humorists, of whom there are extremely few.

292. Executive Field. In the executive field are found the leaders, those who have the natural power or ability to direct or command others. The executive is the general in the army of industry, commerce, and finance. Great executives are born and not made, but good executives can be developed out of

persons who have natural leadership ability and direct their energies constructively. Many a noted gangster leader has had the ability to become a good executive, but he has used his talent and energy destructively. It is difficult for anyone who is not a leader himself to teach others how to be leaders. Persons with leadership ability do not need to be told what to do. An executive needs a wide range of general knowledge in order to know the many things going on around him which affect his work. He must also be very alert. Even among the lower animals and the birds we find the leaders, the ones which take it upon themselves to stand guard over the flock, signaling when and where to stop or to move on. There are no subjects in high school that prepare directly for leadership. Taking part in class and school activities, such as athletics, assembly programs, plays, debates, club work, school publication work, and school government, helps to develop leadership.

293. Pay and Competition. Naturally the highest pay in any organization goes to the executive, the one who is responsible for the success or failure of the institution. Salaries of executives for some of the larger railroad and insurance companies have ranged as high as \$150,000 a year, but in the last few years, owing to government pressure, these high salaries have been greatly reduced. There is very little competition among executives because very few men are prepared to handle executive work. Thus executives are seldom out of a job. It is claimed that never before in the history of our country has there been such a dearth of gifted leaders in politics, finance, commerce, sports, and art as at the present time.

294. Skilled-Trade Field. There are millions of people who can never qualify for work in the professional, technical, entertainment, or executive fields. It is fortunate that this is the case, because the world needs many bricklayers, masons, structural steel workers, steam shovel operators, agriculturalists, forest rangers, truck drivers, and many other kinds of workers who must have physical as well as mental strength. Certain persons are not naturally adapted to desk or indoor

work, and such work might greatly shorten their lives. After all, a person's health and happiness are more important than the particular kind of work that he performs or the amount of money that he makes. Nearly everyone sooner or later feels that if only he could work outdoors, he would be better off and happier. Outdoor work enables one to move around in a new environment, thereby getting a broader perspective, or view, of life.

The subjects to study while in high school that may be of greatest benefit to persons expecting to engage in the skilled trades or outdoor work are probably the practical arts subjects; these include the shop subjects, mechanical drawing, and agriculture, together with such other subjects as will foster good citizenship and appreciation of the things around one.

295. **Pay and Competition.** Unfortunately the wages paid to those who have a skilled trade are not equal, as a rule, to the incomes of those in some of the other fields, because weather conditions are such at times that outdoor work cannot be carried on. The pay of bricklayers, bridge workers, and other skilled men, however, is high during the time that they work. A great many skilled-trade workers actually receive higher daily pay than most white-collar workers do; in fact, it has recently been discovered that the group receiving the highest pay on the campus of a certain university were the truck drivers and the building engineers—they received more money for their work than did the professors with college degrees.

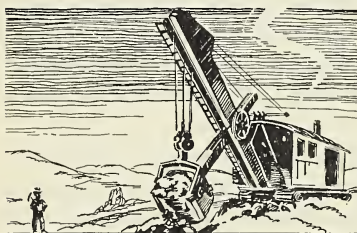
296. **Working for the Public.** Working for the federal, state, or local government has its advantages and disadvantages. If the work comes under the Civil Service, those who have jobs are quite secure, and there is little chance of their being thrown out of employment. As a general rule, however, the more secure a job is, the less chance there is for advancement. If the work is not under the Civil Service, but is dependent upon some political party in power, it is only a question

of time until a new political party is elected, and those who have been holding good jobs are dismissed in order to make openings for friends of the new party. The average salary in the government service is about \$1,440. This average includes all the higher salaries. The great majority of federal government employees draw salaries lower than \$1,440, the lowest running down to \$890.

297. Average Wages. The following table¹ shows the number of workers and their yearly earnings in various occupations that pay a high average income.

	Number of	Yearly earnings in dollars
Policemen	82,000	\$1,914
Firemen	51,000	1,933
Foremen	473,000	2,000
Nurses	150,000	1,900
Railroad engineers	110,000	3,000
Postmen	190,000	1,900
Printers	140,000	2,200
Librarians	15,000	2,000
Tool makers	55,000	2,200
Good farmers	1,000,000	2,000 up
Professions	1,400,000	2,000 up

298. Unskilled Labor. Until recent years there has been a market for common labor, which means labor requiring nothing



MAN VS. MACHINE

One machine in the hands of a skilled worker can dig a ditch better and quicker than one hundred men with picks and shovels.

more than muscular power of the arms, legs, or back. Even the human head has been worth something as a burden carrier. Today, however, machinery has almost displaced man power in common labor. The man with a pick and shovel and the wheelbarrow, like the draft horse and the pack mule, may soon be a picture

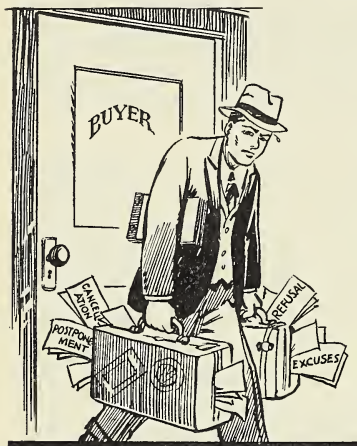
¹ Statistics by Donald A. Laird, Colgate University.

only in our history books. Of course there will be some work in certain lines for the common laborer, just as there will still be some use for horses and mules, but these uses are getting fewer all the time. Man cannot compete with the machine when it comes to heavy work. A machine in the hands of one skilled worker can dig a ditch better and quicker than one hundred men with picks and shovels. Machines can work twenty-four hours a day without stopping to eat, rest, or sleep. Machines do not get sick. When they are not working, they are not eating up food and causing other expenses. The machine is with us to stay, and man must adjust himself to the conditions resulting from its use.

299. Vital Trends to Consider. During the ten-year period between 1920 and 1930, the United States census indicates some trends which should be of vital interest to young people in planning their life work. The vocations which have been increasing greatly should offer the best opportunities during the next decade or two. The industries which have shown great tendency to growth are: the chemical field with its allied industries; the iron, steel, and machinery fields; the textile and clothing fields. Industries showing modest gains are: clay, glass, and stone work; the special food group; metals; leather products; lumber; furniture; paper; printing; automobile; aviation; and restaurant, cafe, and lunchroom service. Increasing in demand have been chauffeurs, truck and tractor drivers, canvassers, moneylenders, building contractors, and machinists. Declining in demand have been tailors and tailoresses, dressmakers and seamstresses, locomotive firemen, street-car motormen, jewelers, watchmakers, woolen-mill employees, glass blowers, piano tuners, button manufacturers, harness makers, and milliners.

300. Farming Requires Much Knowledge. The day has almost passed when the man who felt that he did not possess sufficient intelligence to succeed in most lines of work was sure that he could make a living on the land. The successful farmer today must have a wider range of knowledge than per-

haps any other worker. Not only does he need to know how to plow and reap his crops; he also has need of a working knowledge of chemistry, botany, entomology, bacteriology, and physiology. He must know something about veterinary medicine and surgery, horticulture, gardening, and mechanics. He must know something of economics, world conditions, financial statistics, the causes and behavior of the business



A salesman must be able to keep going under all kinds of discouragement. Very few lines of work burn up human energy as fast as salesmanship does.

cycle, coöperative marketing, accounting, advertising, and selling. To be of greatest value to his community and fellow-farmers, he should also know some parliamentary law, the science of government, and the progress being made in education.

301. Salesmanship Hard Work. Those who are looking for easy work with large pay should not consider the field of salesmanship. Selling brings one into direct contact with people, particularly those whom he must persuade, cajole, or influence in some

way or other to pay out their money for a certain thing. Much of the selling outside of retail store selling must be done on a commission basis; and in order to make much money, the salesman is inclined to work harder and longer than he is physically able. The kind of work always open to anyone willing to follow it is canvassing. Many white-collar workers out of jobs during a depression turn to canvassing in an effort to gather some income. And, sad to relate, in all of these selling jobs the canvasser has to rely on commission for his pay. Only a few ever make enough money to pay for their lunches or the shoe leather they wear out. No one wants to see these doorbell

ringers, and a tremendous amount of energy must be used up by a salesman in overcoming this resistance. During the last few years housewives have answered their doorbells on an unexaggerated average of twenty times a day to buy or refuse everything from shoestrings and papers of pins to electric refrigerators and oil burners. But as a foundation for knowledge needed in other phases of business, nothing else equals a few years of actual experience in selling merchandise. It is a schooling in the study of human nature that cannot be secured in any other way.

302. Professional Cooking. One of the most profitable trades that American young men have overlooked or disdained is cooking. French, Italian, and Greek chefs predominate in American hotels and restaurants. In New York alone there are more than 2,000 French chefs, the majority being employed in hotels. Before the war, however, there were 1,000 families in the city with their private chefs. The high salaries paid to the best ones make the pay for workers in several other trades look small. Cooking is both a business and an art. Edwin C. Hill, the globe trotter, claims that it is impossible to find the name of a woman anywhere near the top of the lists of celebrated chefs, or as the creator of a great dish.

Probably many failures in the American restaurant business are due to the employment of cheap, unskilled, and unintelligent cooks. It takes about ten years of study to make a first-rate chef. The beginning is in the pastry shop at the ovens. Recently a number of American high schools have opened their cooking classes to boys in order to supply the demand for trained cooks in hotels, restaurants, ships, dining



One of the most profitable trades that American young men have overlooked or disdained is professional cooking.

cars, and construction camps. Here is a field that offers higher pay and more security perhaps than any kind of office work.

303. Out of the Beaten Path. Thousands of people today are earning a living in lines of work difficult to classify. Such workers are off the beaten path of occupations. A smart exercise of ingenuity coupled with some original thinking has opened up avenues of steady income for those persons who are willing to work. Here are a few examples of unusual trades that have brought substantial rewards.

Special farms supply trout and frogs to hotels, restaurants, and dining cars. There are also farms which supply snakes to circuses, zoos, and dealers all over the world. The snake skins find a ready market, and the venom goes to scientific laboratories.

Raising goldfish is an interesting industry. The most favorable place to breed them is along the thirty-ninth parallel, touching Maryland, Ohio, Illinois, and California. Most of the goldfish are sold in the five-and-ten-cent stores.

The culture of muskrats is turning hitherto worthless tide-water marshes and swamp lands into acres more valuable than the cultivated lands adjoining them. No longer are muskrats sold for as little as twenty-five cents apiece; the pelts have advanced tenfold in price, and the carcasses are sold as meat.

A number of uses have recently been discovered for cast-off automobile tires. The most substantial door-mats are now being made from such tires, the raw material costing the makers almost nothing. In nearly every industry there are waste products which some clever person may make into money. Sometimes a by-product is more profitable than the principal article manufactured.

304. Learning an Occupation While in School. The sooner we get started in an occupation, the more time we shall have to become expert, and the more money we shall be able to acquire before we get too old. It is possible for many young people to get well-grounded in a life work during their four years of high school without interfering in any way with their

regular classes in general education. In a survey made a few years ago among 259 high-school students scattered throughout the country, the following questions were asked:

Do you have an allowance? How much?

Do you earn any money during school months? How much?

Do you earn any money during vacation? How much?

How do you earn your money?

The answers to the questions revealed that:

1. The boys who had no allowances earned annually an average of \$307 a person.

2. The boys who had allowances earned an average of \$418 a person.

3. The whole lot of 259 boys, non-allowance and non-earners included, had earnings during school months and vacations reaching a total of nearly \$90,000—a rough average of \$360 a year an individual.

A quick glimpse at their ways of making money is of more than passing interest. "Odd jobs" was the first big classification as reported by seventy-four students. Clerking was a close second—seventy-one students. Farming made a poor third—thirty students. Factory work took seventeen boys; a paper route kept ten busy; seven lads were truck drivers; six were salesmen; and five played in orchestras.

305. Other Vocations Are Interesting. In addition to the vocations listed in the preceding paragraph, the following interesting occupations were given:

Bridge building	Collector
Caddying	Furnace tender
Carpentering	Helper in sawmill
Delivering milk	Janitor
Gardening	Landscaper
Helping in bowling alley	Machinist
Painting	Piano tuner (but this fifteen-
Picking raspberries	year-old boy averaged only a
Railroading	dollar a week)
Raising poultry	Seaman on Great Lakes
Raising tobacco	Sheet metal worker
Ranching	Soda fountain clerk

Refinishing furniture
 Running elevator
 Shining shoes
 Teaching lessons
 Trapping
 Candy salesman

Stock man in five-and-ten-cent
 store
 Waiter
 Common labor
 Highway construction
 Member of paving crew

Working in:

Canadian information bureau
 Cereal factory
 Confectionery stores
 Country club in summer
 Dry cleaning shop
 Elks Club in winter

Filling stations
 Hardware store
 Law office
 Life insurance office
 Shoe factory
 Tourist camp

That the boys did not come from homes of more than average wealth is rather well indicated by the fact that 115 out of the 259 received no allowances at all from their parents. Those remaining—144 boys—received monthly allowances totaling \$1,358, or an average of \$9.43 a student.

From the above facts we must conclude that the young men of today who are going to be the big men of tomorrow are not those spending all their vacation periods at some mountain or seashore camp at the expense of others. What boys can do, girls can do; in fact, today there appear to be greater opportunities in spare-time employment for girls than for boys.

306. Try-Out is a Good Plan. It is a good plan to work during a summer vacation at the work you think you would like. You may enter as a helper or an apprentice. This will give you not only the opportunity of judging whether or not your choice is a wise one for you, but also some experience, which employers demand, when you seek permanent employment. In applying for summer vacation work, let the employer know that you are seeking experience and not merely wanting a job because you need money. Nothing is equal to actual experience when it comes to deciding whether or not one likes a particular line of work.

Opportunities today may be fewer, yet some high school students in nearly every town are making almost as much during spare time as many persons earn at full-time jobs.

Questions on the Text

Sec. 257. What does the successful journey of life demand? What does it further require? In order to sustain ourselves, what do we need to learn? Tell why the business of living is so important. What does the world expect every person to do?

Sec. 258. Of what may our offering to society consist? What sort of conduct robs a family instead of helps it? What sort of conduct creates happiness in a family? What sort creates unhappiness?

Sec. 259. Explain how every hour that we live costs money. Why do costs still go on while we sleep? How can we help to relieve our parents of their money burdens?

Sec. 260. How are the needs of man provided? Why do they cost money? Why is exchange necessary?

Sec. 261. When are people willing to exchange? Give some examples of personal service. When is one said to be in business for himself? When is one an employee?

Sec. 262. Why is money the easiest thing to exchange? How can we measure our value to the world? Why is earning money moral rather than sordid? What is a more important lesson to be learned than arithmetic or geography?

Sec. 263. About how much does it cost a single person to live? What articles vary in price the least in different parts of the country? What articles vary the most? What is the size of the average family? What is its income in average times? What is its average amount of debts? What should be its average income in order to live comfortably?

Sec. 264. What is one of the greatest thrills a person can experience? In what way can a person become stronger?

Sec. 265. What sets the price on our services? What makes it possible for one to set a high price on his labor? When is it not so easy to do so? What four things command big pay? Why?

Sec. 266. What is meant by one's vocation? By one's avocation? What is the difference between an avocation and a hobby? Give

seven examples of hobbies. Give seven examples of avocations. How can the value of an avocation be increased?

Sec. 267. Illustrate how an avocation can become a vocation.

Sec. 268. What five questions should a young person ask himself when trying to discover his aptitudes? Who, if any one, can answer these questions? What should a beginning high school pupil do in order to decide upon his lifework? About how frequently do the interests of young people change? What is a good scheme to use in planning one's lifework?

Sec. 269. What is the first thing that one should consider in thinking about the selection of a lifework? Why? Give two illustrations intended to show that qualities which make one successful in one vocation might not make him successful in another.

Sec. 270. In the study of choosing a lifework, what seven questions should be considered?

Sec. 271. What qualities should one possess in order to be successful in working for himself? What sort of people should work for others?

Sec. 272. Who are the bosses of the people who are in business for themselves? Why does many a person fail in trying to be *his own boss*?

Sec. 273. How much education should every boy and girl have? When is it a waste of time to attend school beyond the high school?

Sec. 274. Why should one start his lifework as soon as possible? What vocations can be followed for a few years only? When are expert skills easiest acquired? Are most people paid for what they know or for what they can do?

Sec. 275. Why should every girl be trained to do something? Give illustrations showing why some women should be able to do more than one thing.

Sec. 276. In what respect do girls not have the same problem in choosing a lifework that boys do?

Sec. 277. Why does not nature make every person a genius? In what way do young people waste many valuable years of life? Why should housework and manual labor be respected?

Sec. 278. What is the financial condition of some junk dealers and bellboys? Why do foreigners make money? Why do some men prefer to work as bellboys, even after they have become wealthy?

Sec. 279. How did the United Parcel Service start? To what is this company's success due? What kind of test must its delivery-men pass before they are hired?

Sec. 280. Explain how motion-picture actors used to get their training. What is the new avenue for training and experience? What is Warner Baxter's advice to screen aspirants?

Sec. 281. How is money wasted in trying to learn by correspondence? What sort of person might learn by correspondence? What sort probably would not? What fake practices are sometimes followed?

Sec. 282. Give examples of old occupations that should be avoided by young people. Why should they be avoided?

Sec. 283. What are some of the shady lines of work that young people should avoid in choosing their life occupations?

Sec. 284. Why is it foolish to advise a young person to choose an occupation in which there is not much competition? Why is there competition in all lines? What is likely to be the trouble with a line in which there is little competition?

Sec. 285. Why is it difficult to learn about possible vocations? What can a young person do to overcome this difficulty? Name the six major fields of employment.

Sec. 286. What workers are included in the professional field? What qualities should one have before planning to enter this field? Why does a young doctor or lawyer need money before starting to practice? What studies should future professional workers study while in high school?

Sec. 287. What is the average net income of those in the medical profession? When does a physician reach his highest earning power? About how many more physicians are there than are needed? Are there more lawyers than needed? Why is there a surplus of ministers?

Sec. 288. Give eight examples of technical vocations. How much education and training do technical workers need? What subjects should they study while in high school?

Sec. 289. About what salaries do the following technical workers receive: 1. Chemists, engineers, and architects; 2. draftsmen, accountants, and stenographers; 3. school teachers? In what vocation in

the technical field is it possible to receive the highest pay? Why is competition in the stenographic and bookkeeping field so great?

Sec. 290. Give ten examples of workers in the entertainment field. Upon what is success in this field dependent? What high school subjects help to train for this field?

Sec. 291. Who command the big salaries in the entertainment field? What are some of the expenses of entertainers? What else, besides expenses, keeps the yearly income of entertainers from being so large as some people seem to think it is? What accounts for much of the competition in the musical field?

Sec. 292. Who are found in the executive field? Out of whom can executives be developed? What qualities are needed by executives? What training for leadership can one get in high school?

Sec. 293. Who in any organization gets the highest pay? Why? Why is there not much competition among executives?

Sec. 294. Give some examples of skilled-trade workers. Who are best fitted to work in the skilled-trade field? What studies should those who expect to enter the skilled-trade field study while in high school?

Sec. 295. How do the wages of skilled-trade workers compare with the incomes of workers in some other fields? with the incomes of most white-collar workers?

Sec. 296. What are advantages and disadvantages of working for the public in a position that is included under Civil Service? What is the disadvantage of holding a political job? What is the average salary of government employees? What is the lowest federal government salary?

Sec. 297. Which is the largest group in Laird's list of high-average-income workers? Which is the smallest? Which two groups receive the lowest pay?

Sec. 298. What effect has the machine had upon unskilled labor? What seems to be the future for unskilled labor?

Sec. 299. Why should young people be interested in knowing which vocations are increasing and which are decreasing? Which industries showed the greatest growth between 1920 and 1930? Which showed modest gains? Which showed increasing demand? Which showed a decline in demand?

Sec. 300. What sort of intelligence and education must the modern farmer have? Besides knowing how to plow and reap his crops, what should he know about science? medicine? economics? business?

Sec. 301. Why is salesmanship hard work? What is one disadvantage of selling on the commission basis? What kind of selling work is open to almost anyone? Upon what basis are canvassers paid? Why is canvassing difficult work? Why does selling form a good foundation for other phases of business?

Sec. 302. Of what nationalities are most chefs in American hotels and restaurants? How do the salaries of chefs compare with the salaries of workers in other trades? To what is the failure of many restaurants due? What are the opportunities for boys in the field of cookery?

Sec. 303. Give four examples of occupations that may be considered off the beaten path.

Sec. 304. Why should one get started in his vocation early in life? When can high school pupils sometimes get started? State the questions asked and give some of the answers in the survey of 259 high school pupils? In what way did the largest number earn money? What was the second most popular way?

Sec. 305. Name ten ways, other than those given in Section 304, in which high school boys earn money.

Sec. 306. What kind of work should one obtain during summer vacations? Aside from the money earned, what is the advantage of working during summer vacations?

For Class Discussion

Sec. 257. In what sense are we all partners in the business of living? Why should every person contribute to the welfare of all?

Sec. 258. What can a person contribute to society besides physical labor? In what way may the nonearning members of a family coöperate in making the family happy and successful?

Sec. 259. Explain and illustrate how every hour that we live is costing somebody money. If everyone had the theory that the world owes him a living without his doing any work in return, what would become of us? Some young people live for eighteen to twenty-two

years without working or producing anything. Is this fair? What might they do about it?

Sec. 260. In order to get what we wish to eat, drink, wear, or enjoy, why is some sort of exchange necessary?

Sec. 261. What is the most common thing everyone has to exchange? What arrangements are necessary in order to exchange it?

Sec. 262. Why is practically everybody willing to accept money in exchange for goods or services? How may we find out what our service or some article that we own is worth? Is money-making proper and honorable? Why?

Sec. 263. Counting everything, about how much does it cost a person to live comfortably? Why do the prices of some things vary more than others in different parts of the country? Why is it that the average person never seems to earn enough to live as he would like to live?

Sec. 264. Why do we think more of a thing if we earn it ourselves?

Sec. 265. Why are some kinds of work paid for at higher rates than others? Why is a lawyer sometimes paid more for a few minutes of advice than an unskilled laborer is paid for a whole month of work? When can a person set a high price on his services and get it?

Sec. 266. What is the difference between a vocation, an avocation, and a hobby? Why do people have avocations and hobbies? What good are they?

Sec. 267. Do you know of any case where a person's avocation has made money for him or has helped others?

Sec. 268. What is meant by a person's aptitude? How can one go about discovering it? Why do many young people keep changing their lifework before they finally choose it? Some people live their lives and always wish that they could do something different from what they are doing. Why is this?

Sec. 269. How can a person tell for what vocation his individual make-up should suit him? Do you think the average person could be happy in one of several vocations, or in only a certain one?

Sec. 270. If you have what you believe to be your future occupation in mind, consider it again in the light of the seven questions and see if it causes you to change your mind.

Sec. 271. Name all advantages and disadvantages that you think a person should consider in deciding whether to work for himself or for someone else. What can one do to improve his social personality?

Sec. 272. Give some examples showing that people who are in business for themselves are really not their own bosses. How can a young person learn to manage and discipline himself? Can everyone learn these things?

Sec. 273. Who should, and who should not, go to college? Discuss the statement, "True education nourishes what nature has produced."

Sec. 274. Most high school and college graduates, upon getting a job, have to start at the bottom. Why can they not become expert while in school? Why do you think skills are learned more quickly by young people than by old or middle-aged people? What good does it do to know this?

Sec. 275. If a girl expects to make homemaking her lifework, why should she learn another vocation as well?

Sec. 276. If eighty out of one hundred girl graduates marry and follow the vocation of homemaker, what subjects might they study while in school that should help them to prepare for this vocation?

Sec. 277. Why do some people look down on those whose work requires them to get their hands dirty? Do you think that office work is more dignified than housework or the work connected with skilled trades?

Sec. 278. What are some of the money-making opportunities that are making foreigners rich? Why do not Americans seize similar opportunities? Do you know of any such opportunities that Americans have taken?

Sec. 279. Why is it often cheaper for department stores to hire their parcels delivered by the United Parcel Service than to own their delivery cars and deliver the parcels themselves?

Sec. 280. What other method is there, besides school and community dramatics, of learning to be a motion-picture actor? What is the advantage of school or community training in dramatics?

Sec. 281. Do you know of anyone who has lost money in a fake correspondence school? Why is it not well to answer advertisements inviting one to send samples of his writing, drawing, cartooning, etc.?

Sec. 282. What occupations are practically obsolete? What good does it do to know this?

Sec. 283. Why should one avoid occupations that render no service to society? What are some of these occupations?

Sec. 284. In what occupations do you think there is the least competition? Would you like to get into any of them?

Sec. 285. Give several examples of vocations in each of the fields mentioned in this section.

Sec. 286. What would you want to know about a young person, and what questions would you ask him if he wanted you to help him decide whether he should study for the field of law, medicine, or the ministry?

Sec. 287. Why do you think the income of some professional men is very large, some medium, and others barely enough to live on?

Sec. 288. Look up the word *technical* in the dictionary, and then name as many kinds of technical workers as you can. Do you think that *anyone* can become a technical worker? If not, what type of person can?

Sec. 289. Give three reasons why some technical workers receive more pay than others.

Sec. 290. Why is special native ability necessary for success in the entertainment field? Can you name any vocation in the entertainment field that does not require hard work?

Sec. 291. Which entertainers do you think can earn high pay for the greatest number of years? for the least number of years?

Sec. 292. What qualities do you consider necessary for an executive or a leader? How can young people start to be executives and leaders?

Sec. 293. How do you think the salaries of executives are determined?

Sec. 294. Name as many kinds of skilled-trade workers as you can. Do you think that the number of workers in this field is growing larger or smaller? Where can a person learn a trade? About how long does it take to learn a trade? Who should go into the skilled-trade field?

Sec. 295. State the wages received by the workers in five or six different trades. Why do you think the wages differ?

Sec. 296. Name as many things as you can think of that are performed by paid public employees. How can one prepare himself to

work for the public? How can one get a job working for the public? Who determines the pay of those who work for the public?

Sec. 297. Explain why the earnings of some workers given in the table in this section are higher than those of others; for example, why are the earnings of railroad engineers and tool workers higher than those of policemen and firemen?

Sec. 298. Name as many things as you can that are done by unskilled labor. Since unskilled manual labor is hard work, why isn't the pay for it high?

Sec. 299. Which vocations are increasing the fastest? Which of these do you think members of your class might enter?

Sec. 300. Explain why a successful farmer should have a wide range of knowledge. Of what use is each of the knowledges mentioned in this section?

Sec. 301. Why do some salesmen receive very high pay? Why do many retail salesmen receive low pay? If canvassing is such hard work, why is the pay often small?

Sec. 302. Why do you think there are not more American men chefs? Find out how many boys in the class are interested in becoming chefs.

Sec. 303. What unusual occupations other than those mentioned in this section do you know about? How do people discover them or get into them?

Sec. 304. How many pupils do you know who are learning an occupation while in school? What occupations are they learning? How did the pupils get started in them?

Sec. 305. Which jobs listed in this section could be done by ninth or tenth-grade pupils?

Sec. 306. What is one way in which a high school pupil may get started on a vocation while he is still in school?

Thought Questions and Problems

Sec. 257. In what sense is living a *business*? Why should we get more out of life if we know about the services offered by others and the best way to use these services? Why should we be considered as owing something for everything that we receive?

Sec. 258. What contribution are you making to society? What other contributions do you expect to make later?

Sec. 259. Think of some materials or services that your parents do not buy for you as direct purchases. How are such materials or services paid for?

Sec. 260. Suppose you could have nothing except what you yourself could produce? How would this fact affect your life?

Sec. 261. Why are more children kept in schools than formerly? What can children do when they grow up to help pay for what it has cost to rear them?

Sec. 262. Explain what you think Dr. Frank Crane means when he says, "We are going to get out of this world no more than we put into it." Who is Dr. Frank Crane?

Sec. 263. Explain how American families attempt to raise their standard of living by getting into debt. To what extent do you think getting into debt raises their standard of living?

Sec. 265. Which is better: To be worth more than you think that you are, or to think that you are worth more than you are? Why?

Sec. 266. When may a hobby be helpful, and when may it be harmful?

Sec. 267. Name what you consider two or three good avocations.

Sec. 268-273. Apply Owen D. Young's five questions and those in Section 270 to yourself, and try to answer them to your own satisfaction. Have you chosen your lifework yet? If so, have you a plan for accomplishing your purpose? If not, what do you intend to do to help you in choosing your lifework?

Sec. 274. Is it sufficient for a high school pupil to spend all his time accumulating knowledge, or should he also learn a useful skill? Give reasons for your answers.

Sec. 275-276. In what way, if any, is a girl's problem of choosing an occupation different from a boy's problem.

Sec. 277. In choosing an occupation, the following statement is made: "Too much pride may mean failure." Give an example illustrating this fact.

Sec. 278-279. What lessons may be learned from these two sections?

Sec. 280. What should one do if he wishes to "try out" for high school dramatics?

Sec. 281. Cut out or copy and bring to school some advertisements that offer to teach you by mail how to make big money. Be prepared to say why it would be wise or unwise to answer them.

Sec. 282. Ask your parents or grandparents to tell you about some occupations that are obsolete; then be prepared to talk about them in class.

Sec. 283. What occupations do you think one should avoid?

Sec. 284. In occupations in which there is much competition, who gets the positions?

Sec. 286-287. What are the advantages and disadvantages of preparing for and working in the professional field? Why is it an advantage to know as early as the ninth grade whether one is going to enter this field?

Sec. 288-289. Write a description of one of the technical occupations; in your description tell the personal qualities necessary to it, the preparation required, the duties, and the pay.

Sec. 290-291. If there is a place in the entertainment field that you think you can fill, tell what it is and how you believe that you can prepare for it.

Sec. 292. Look up in the dictionary the words *lead*, *execute*, and *administer*. What do you consider the earmarks of a leader? Is everyone who is elected to office a leader? Are all your student-body and classroom officers leaders?

Sec. 296. Explain what is meant by the following terms and expressions: civil service, being under civil service, and a civil-service list. (See encyclopedia.) Why are all public servants not under civil service?

Sec. 298. Some people claim that discarding machinery and going back to hand labor would end all unemployment and make people happier; others claim that it would make prices so high that the

average person could not even afford to buy the conveniences of life. Give your views upon this question.

Sec. 299. Explain why it is better for young people to plan to enter vocations that are increasing in demand rather than those that are decreasing.

Sec. 300. Look up in a dictionary or an encyclopedia the knowledges mentioned in this section, and explain how knowing about them helps the farmer.

Sec. 301. Be prepared to give a talk on the possibilities of the selling field as a vocation for young people to enter.

Sec. 302. Write a paper or be prepared to give a talk on the possibilities of the field of cookery as a vocation. Tell about the different positions in the field, personal qualification necessary to enter it, how to prepare for the positions, pleasant and unpleasant features, chances for advancement, and the pay.

Sec. 303. Tell of some other occupation that is off the beaten path; explain how it started, and give some interesting facts about it.

Sec. 304-306. Talk with a high school pupil who works afternoons, Saturdays, or summer vacations. Give a report on how he got his job, and whether he thinks it is helping him to choose his vocation.

Word Study for Chapter XII

SECTION

307. **Inclined**—likely to; have a tendency to; disposed.
Hazards—dangers; risks; chances; accidents.
308. **Conceivable**—imaginable; believable; understandable; thinkable.
309. **Expectation**—the act of looking forward to; anticipation; prospect.
Approximate—very near but not exact; near to correctness.
310. **Factors**—parts of a whole; elements that help to produce a result.
Physical—having to do with the body.
311. **Status**—condition; state; standing; rank.
Eligible—fitted or qualified to be chosen; suitable; desirable.
315. **Afflicted**—troubled; overcome with calamity or hardship.
316. **Prohibitive**—out of the question; impossible to consider.
Monetary—having to do with money; financial; pecuniary.
317. **Induce**—persuade; influence by argument; prevail upon.
318. **Declining**—getting smaller; diminishing.
Eventually—at last; finally; ultimately.
319. **Estate**—possessions; fortune; a person's property in money, goods, lands, etc.
Executors—those named by a person to carry out his will after his death.
Administrators—those appointed by law to settle a dead person's estate.
320. **Disability**—weakness; absence of power.
Continuous—without break or interruption; unbroken; continued.
Resumed—begun again; assumed again.
322. **Uniform**—alike; similar.
323. **Accumulate**—pile up; gather; collect.
Technical—relating to a particular art, profession, or business.
325. **Inheritance taxes**—a tax on property left to a person by someone who has died.
Remote—far away; distant.

326. **Ridiculous**—so unreasonable as to be funny; absurd; unworthy of serious consideration.
Subway—underground way, tunnel, or road.
Specimen—sample; one of several like articles.
327. **Capital**—the amount of money and other property owned in a business; net worth.
Reserve—extra supply; money kept on hand to meet demands.
Intoxicants—anything which makes one drunk, such as alcohol.
328. **Material facts**—important facts; essential truths.
Comparison—examination of things in order to see how they are alike and how they are different.
Initial—first; having to do with the beginning.
331. **Void**—useless; of no legal force; null.
333. **Manuscripts**—an author's copies of his works in handwriting or typewriting.
Abandon—give up absolutely; resign; surrender; relinquish.
Partial—having to do with a part only; not entire.
334. **Negligence**—neglect; thoughtlessness; disregard.
Indemnity—protection from loss or damage; money paid for loss.
336. **Equitably**—fairly; honestly; justly.
338. **Inflammable**—that which can easily be set on fire; combustible.
341. **Options**—right or power to choose; privileges.
Salvage—insured goods rescued from fire, or the money received from their sale.
Arson—unlawful burning of the property.
349. **Resort**—to go for help or relief.
350. **Marine**—having to do with the sea or the navigation of the sea; naval.
351. **Waive**—to give up claim to; abandon.
352. **Counsellor**—one who gives advice; an adviser.
353. **Magnitude**—size; greatness in size and importance.

Pretest for Chapter XII

1. What is the real purpose of an insurance company?
2. How can an insurance company take a risk on a person's life when it has no way of knowing how long that person will live?
3. Can a worker in a beer parlor get life insurance?
4. If you were willing to pay for the policy, do you suppose that you could be insured against its raining on your birthday?
5. What is the most valuable thing that every person possesses?
6. What disease might prevent a person's ever securing insurance?
7. Is it good business to buy accident insurance at unusually low rates?
8. Why is sickness insurance expensive?
9. Next to the possibilities of accident, sickness, and death, what is the greatest danger in every home?
10. If your home is fully insured, and you should discover a fire getting started in it, would you make any effort to put out the fire?
11. Name some ways by which an automobile may be damaged or destroyed.
12. What does "\$50 deductible" on a collision mean in automobile insurance?
13. What is a person supposed to do immediately if he has an automobile accident in which a car other than his own is damaged?
14. How old does a person have to be for an insurance policy to be good on an automobile which he is driving?
15. What is the purpose of requiring an employee to furnish a surety bond?
16. In this country about how many lives are lost annually through accident?

CHAPTER XII

LIFE HAZARDS AND INSURANCE SERVICES

307. **The Uncertainty of Life.** From the first chapter of Volume I of *The Business of Life* we learn that a person begins to show intelligence when he makes an effort to raise himself above the lower forms of animal life. Willingness to face the facts of life is the first sign that a boy or a girl realizes the value of life and the need for its protection. Youth is inclined to value life lightly, and often feels that there is quite a thrill in flirting with death. It is unnatural and difficult for youth to think of death, for, in the flush of youth and health, one thinks of death as something distant and unreal. As each year passes, however, we find ourselves less inclined to take unnecessary risks; the thrill of doing reckless things that are dangerous becomes foolishness to us.

In looking down the path of the future, we see it crossed by disease—pneumonia, cancer, or consumption, and by accidents—colliding automobiles, smashed trains, or cracked-up airplanes. The hazards of life are not faced by the reckless alone; no matter how careful one may be in guarding health and in avoiding accidents, the unexpected is a factor that no individual has ever been able to foresee or control entirely.

308. **What Can We Do About It?** Life is ended for every person by one of four causes: disease, accident, suicide, or old age. By far the greatest cause of death is disease. In an earlier chapter it was pointed out that health is our greatest asset, that health depends upon how well nature has constructed the body, and that we must take good care of the body to keep it in good working order. The problem of maintaining life rests with each individual; no one can assume this problem for him. In the matter of health we can secure the

services of an expert physician or surgeon who, by examination, can tell us what organs in our body may not be normal, and what we should do about such conditions; but no physician or surgeon can be of much help to us unless we are willing to help ourselves. In the matter of preventing accident to ourselves, no one can help us; each person must assume that responsibility. All that we can do is to hire others, for a certain amount of money, to assume the risk of our meeting with an accident, and to pay us, or our relatives, a certain amount of money in case we happen to meet with disaster or death. Taking financial risks on the lives of people has been figured out mathematically so that the business can be done with a high degree of accuracy. The business of taking such risks is known as *insurance*, and it is one of the few businesses operated with any great degree of certainty. The companies engaged in writing insurance use the experience gained over a period of many years, and they have figured exactly how much to charge for covering every conceivable kind of risk.

309. Understanding Insurance. In order to understand insurance, it is necessary to know how and why it works. All insurance is based upon what is known as the law of averages. In life insurance, this simply means that out of a very large number of people at a certain age, say one hundred thousand people at the age of ten, a certain number will die each year—a certain number will die at eleven years of age, a certain number at twelve years of age, etc. A very few will live to be more than ninety years of age. In order to insure safely a large number of people, the life insurance companies, after long experience, have prepared what is known as a mortality table. In this country the American Experience Table of Mortality is used for figuring the expected life span of every person insured. For example, at the age of 15 the expectation of life is 45 years, and the number of deaths among those insured at 15 is expected to be between seven and eight out of every thousand. At the age of 20 the expectation of life is 42 years; at the age of 25 the expectation of life is 39 years; at

the age of 30 the expectation of life is 35 years; and at the age of 50 the expectation of life is 20 years. It makes no difference to the insurance company which particular individuals die at the respective ages, because the company knows that for each person who dies below a certain age, another person will live beyond the age limit. The law of averages also works in the case of fire insurance. Out of a very large number of houses scattered throughout the country, so many will catch fire each year. Again, no one knows which particular buildings will burn; only the approximate number is estimated. By observing the law of averages, figures can be gathered for any risk if the risks are properly scattered.

310. First Principle of Insurance. Insurance would be of little value to a person in case of any question about its being paid when a loss is suffered. In order to pay persons for their losses, an insurance company must first collect enough money from the people whom it insures. That is why insurance costs money. The first principle of insurance is, "The greater the risk, the greater the cost." The amount of money charged for assuming a risk is spoken of as the premium. The premium must always be paid in advance. The insurance company knows much better than the person insured how serious any risk is. Whenever a person wants to find out just how much risk is involved in any undertaking, he can easily do so by making an application for insurance. The three factors governing all risk-taking by insurance companies are the physical, financial, and moral considerations. Life insurance companies avoid taking a risk, or else charge an extra high premium, on a person who has poor health or is physically handicapped so that he is in more than the usual danger of dying or getting killed. Many companies refuse to insure football players. Insurance companies also avoid taking risks on persons who are in financial difficulties, because many persons who commit suicide do so while under the mental strain of money losses.

311. **Morals Govern Insurance Risks.** Insurance companies are very careful about taking risks on a person whose character is not what it should be. The companies have learned that an immoral person is in more danger of death, disease, or accident than is a person who observes good morals. Thus the individual physical, financial, or moral status determines the amount of money one has to pay for getting others to assume some of his risks of life. In other words, the cost depends upon the kind of life one leads.

The cost of insurance is rising rapidly at present, due to the increasing liquor traffic. Insurance companies know that liquor is responsible for their increasing losses, and the reliable companies are refusing to insure anyone connected with the liquor business in any way. For example, a young man playing in an orchestra for a beer parlor is not eligible for insurance even if the young man never touches a drop of liquor.

312. **Can All Risks Be Insured?** It has been estimated that there are about ten thousand hazards, or risks, which have been protected by insurance. The oldest and largest insurance company in the world, Lloyd's, of London, England, is prepared to take a chance on anything. Never before in the history of the world have there been so many different demands for insurance. New conditions cause new forms of protection to be offered. A person who is in good physical condition, who is not in financial difficulty, and who has good morals, can secure insurance against almost any conceivable hazard of life if he is willing and able to pay the price. Scores of unusual insurance policies are being written—policies based upon the findings of a strange and an exact science about which the average person knows little. A few risks that insurance companies are willing to take and for which people are willing to pay insurance fees are: vacation against rain; tires against blowing out on the highway; or against a pet dog's biting the neighbors. Or, if one wishes, he can be protected against an airplane's falling through the roof of his house, or against a certain man's being elected to office. Farmers can get insur-

ance against crop failures. Parents can insure their children against kidnapping. In 1928 a little boy of London, England, received a forty-dollar toy steamboat as a birthday present. He went to Lloyd's and secured insurance on the toy boat, paying a premium of \$1.25 plus 40 cents for stamp duty and policy fee, which sums insured the boat for twelve months against loss. Then he paid an additional 62 cents for insurance against damage by special hazards of stranding, sinking, fire or collision. On the first pond voyage of the little boat, the boy had too much steam up, and the boat turned turtle and sank. The insurance company was notified; investigating, they found the facts as stated, and paid the boy the amount of his loss.

313. The Cost of Insurance. Since no one will assume our hazards of life without being well paid for so doing, it is evident that the average person cannot earn enough money to pay for all the risks that confront him. He simply must carry some of them himself and trust to care and luck that he won't have any losses. A person may carry a dozen policies on various hazards only to find that his misfortune is quite an unusual one and, consequently, not provided for. It is necessary, therefore, for a person to decide which hazards are most likely to be his, and to determine which could cause him the greatest loss; he should then cover these with the least expensive form of protection.

314. Terms Used in Insurance. Before going further, it is necessary that we learn a few terms commonly used by insurance companies.

The Policy. The contract between the insurance company and the insured is called the *policy*.

The Premium. The amount of money the insured person pays to the company each year is known as the *premium*.

Dividends. Earnings which the company may make in using the premiums and which the company may divide each year with the policyholder, are known as *dividends*.

Beneficiary. The person to whom the insurance money is payable, or is paid, is known as the *beneficiary*.

Term. The period of time for which a person is insured is known as the *term*.

Lapse. A policy is said to *lapse* when a person quits paying his premiums as agreed, in which event the insurance company is no longer liable; however, after the second or third year the policy may have a small cash or paid-up value.

Insurable Interest. In order for anyone to secure insurance, he must be in such a position that he will suffer an actual money loss if he is deprived of the thing insured. This relationship is referred to as an *insurable interest*.

Canceled. A policy is *canceled* when for some reason the company refuses to continue the insurance, or when the insured drops or surrenders it.

Reinstated. A person is *reinstated* when the company again agrees to continue his insurance after his policy has lapsed or has been canceled.

Loan value. The amount of money that the company will lend to the policyholder on any given date is known as the *loan value*.

Cash-surrender value. The amount of money that the company is willing to pay in cash to a policyholder on a given date and cancel the policy is the *cash-surrender value*.

Paid-up insurance. The amount of insurance which the company is willing to carry for a person without payment of any more premiums is referred to as *paid-up insurance*.

Ordinary Life policy. A contract calling for premiums each year up to the age of ninety-six, unless paid-up insurance or a cash settlement is arranged before that age, is an *Ordinary Life policy*.

Term Insurance. A contract covering a specified number of years, for example, five, ten, or fifteen, the policy expiring at the end of the term, is known as *Term Insurance*.

Endowment Policy. A contract combining savings, investment, and insurance, the protective feature being the least consideration, is called an *Endowment Policy*.

LIFE INSURANCE CONTRACTS—Unit 2

315. Life Insurance Should Come First. Life itself is the most valuable thing any person possesses; hence, this should be the first thing considered when seeking protection. Next to life, the danger of injury through unavoidable accident is, perhaps, the most common hazard that needs protection. It is possible among the modern insurance policies to secure one that covers both life and accident. The cost of insurance on the life of a young person is quite small, but this cost increases with each additional year at which one secures life insurance. It is very important, therefore, that every person secure his insurance at as early an age as he is able to buy it and thus have small premiums to pay regardless of how long he lives. This lower cost when one is young is not the only consideration; every month or year that a person lives, he is in danger of incurring some disease that may bar him forever from securing any insurance. After a policy is once written, the insurance company cannot cancel or change it if the insured person later becomes ill, crippled, or otherwise afflicted, provided that he has kept up the payment of his regular premiums.

316. Can Every Person Get Life Insurance? Any person, male or female, above the age of ten years who can pass the required medical examination is eligible for life insurance. Some companies will issue policies on children between three and ten years of age, but should death occur, these policies will be worth only the amount of the premiums paid in. In other words, such policies are nothing more than a form of savings account for the child.

Persons engaged in certain occupations, those which have a high moral or physical risk, are not desired by insurance companies. When such insurance is offered, the rates are placed so high that they are almost prohibitive. While anyone has a right to insure his own life, he has no insurable interest in the life of another person unless the other person is a member of

his family, or unless the death of the other person would cause him to suffer a monetary loss.

317. How Much Insurance Can a Person Afford? Like everything else in this world, life insurance must be considered not from the amount we should like to have, but from the amount we can afford. Agents for insurance companies often induce persons to buy more insurance than they are able to pay for. This is a mistake for both the company and the insured, because it means that the insured will be forced to drop his insurance in a short time and lose all that he has paid. The best authorities are agreed that not more than one-tenth of an individual's or a family's income can be spent for insurance without sacrificing other necessities; for example, if a person is earning but twenty dollars a week, he can afford to spend only two dollars for insurance. As soon as the earnings increase, more may be spent in proportion for insurance. In buying life insurance, a young person of high-school age should not consider immediate needs but should plan according to his probable needs for ten or twenty years ahead. Even a young man without dependents is using good business judgment and intelligence if he gradually and steadily builds up an amount of life insurance against the time when he may marry and have others dependent upon him. If he does not buy the insurance in this way, he may find himself uninsurable at the very time that he needs this protection. It should also be remembered that his annual premiums will be smaller if his insurance is bought at the low rates of the younger years. While life insurance may be considered as a form of savings, we must think of it in its original sense of pure protection, and without any of the frills that have lately come to it, such as savings, investment, or old-age pensions.

318. Best Policy for a Young Person. When we buy anything, no matter what it is, we show good judgment to secure the most for the money that we spend. A young person may secure for his money the most life insurance protection by taking what is generally known as an ordinary life policy.

The greatest objection, however, to this type of policy is that one must pay a fixed sum of money every year as long as he lives, unless his dividends are left with the company to accumulate—something that very few people are willing to do—or unless he takes paid-up insurance or makes some other settlement during his life. All life insurance premiums end at the age of ninety-six years, and anyone who lives to that age may cease paying any further premiums and still collect his insurance. The greatest difficulty in carrying an ordinary life policy is in paying the premiums after the age of fifty years, when most people find their incomes declining and eventually ceasing. To avoid this danger, it is wisdom for a young person to take an ordinary life policy and plan to stop paying premiums and accept some paid-up insurance; or he might take out a 30-payment ordinary life policy which will become fully paid up before he reaches the age of fifty years. A fully paid-up policy requires no more premiums to be paid on it. Of course, one may, if he wishes, take out a 20-payment or a 10-payment policy, but these shorter terms will cost more money, *and in the meantime one will have less protection than if he spent the same money for ordinary life insurance.*

319. Life Insurance Policy Provisions. In order to avoid court procedures, a policy should never be payable to one's estate, executors, or administrators. Instead, it should name the beneficiaries. In order not to burden the beneficiary with the problem of handling a large sum of money at one time, it is often advisable to have the proceeds of a life insurance policy payable in continuous and guaranteed monthly income instalments.

320. Disability Clause. One of the worries that go with insurance is that the policyholder may become disabled and unable to earn the money necessary for paying the yearly premium. For a small extra fee there may be included a disability clause which provides that if the policyholder suffers total disability for a continuous number of months, being unable to do anything for gain or profit during this period,

any premium coming due while he is so disabled will be waived (omitted). The premium payment is to be resumed when he becomes well and pursues his or any other occupation for gain or profit. No payment of the waived premiums is necessary.

321. Double Indemnity. For a premium of about a dollar and a half a year for each thousand dollars of insurance, provision can be made which will double the amount of the life insurance payment, should the insured meet with a fatal accident. This is very cheap accident insurance, and it should be included in every policy if possible. Neither the disability nor the double indemnity clause should be confused with sickness and accident insurance, because the former are not intended to cover temporary sickness or accidents except when they are fatal.

322. Applications Very Important. Applicants for life insurance must fill out printed forms with all the information required by the insurance company. Applicants also must submit to a free medical examination by a doctor employed by the insurance company. All statements made in the application and to the doctor must be absolutely true to the best of the applicant's knowledge. Any misstatements may result in the cancellation of the policy or in the final failure to collect the insurance.

In life insurance, the policies are practically uniform in all companies. If the words of the policies differ, the intent is the same. Some companies, however, pay higher dividends than others.

323. Figuring the Cost of Insurance. Buying insurance is no different from buying anything else, the principal object of every buyer being to get the most value for the money that he spends. There is a great difference in the costs of the several types of policies and also in the rates offered by the various companies. Some companies, through better management, are able to earn more profits, which in turn enable them to give

their policyholders greater value. In quoting the costs of a policy, the agents usually figure the net cost, assuming that the policyholder allows his yearly dividends to remain with the company to accumulate. This way of figuring is likely to be misleading to the buyer because it is not human nature to allow dividends to accumulate when they may be withdrawn and spent. Then again no one can say exactly how much future dividends will amount to, or for sure that there will be any dividends at all. For these reasons, some authorities advise buying non-dividend policies upon which premiums are lower. It is not the purpose of this textbook to discuss the advantages and disadvantages of the different policies, the various options of settlement, or how the insurance companies operate their business. The main purpose of this text is to get young people interested in the subject of protection through insurance, leaving the technical problems of insurance for study in later years.

324. The Choice of a Company. In choosing a company with which to insure, the age of the company is an important consideration. An organization which has been doing business a long time and bears a good reputation is considered by many to be more desirable than a recently organized or new company about which very few people know. The size of an organization makes little difference; a good company may be small or large. The reputation of any insurance company can be obtained through the professional rating agencies. One such agency is *Best's Insurance Reports*. The firm publishing these reports is the oldest unbiased reporting service on all life insurance companies. These reports are published once a year in book form and may be found in most public libraries. Ratings are listed as follows: A, excellent; B, very good; C, good; etc. Nearly every state has an insurance commissioner, located at the state capital, who is in a position to furnish valuable information on the reliability of insurance companies.

325. Points Not to Be Overlooked. The following points, unfamiliar to many people, should be given serious thought:

(1) Industrial insurance, in which premiums are payable weekly or monthly, should be carried only if it is impossible to pay premiums annually or semi-annually. On its weekly basis, it is the most expensive life insurance written.

(2) Taxes cannot be escaped by putting one's savings into life insurance. It should be remembered that every premium collected from policyholders includes taxes by both the state and federal governments. Inheritance taxes also are placed on the proceeds of all life insurance amounts exceeding \$40,000.

(3) Life insurance is a long-term contract. All long-term contracts have one great defect: that is, no one has any way of knowing what anything is going to be worth in the remote future, because the value of money and goods may change. The same dollar value that a person puts into insurance today may not be returned to him later.

326. Accident Insurance. Many of the large life insurance companies will, for an additional fee, insure a person against physical loss due to accident, and in addition, pay for medical and hospital care while the insured is unable to work. The fee charged for accident insurance is not high, and it is worth its cost, provided there are not too many restrictions regarding the manner in which a person may be injured. Some of the bargain policies, which often are given free with newspaper subscriptions, provide for ridiculous circumstances under which a person must be injured in order to collect any insurance. For example, bargain policies sold in the farming communities of the West insure a person against accident only while riding on an elevated or a subway train or against other hazards peculiar only to a very large city, while the bargain policies sold to the people in very large cities insure a person against being injured by a harvesting machine or being gored by a cow. Before spending money for any kind of accident insurance, it is good business to read first a specimen policy to discover if the conditions are such that it would pay in case of a common everyday accident.

327. Sickness Insurance. Hiring someone to take the risk of your becoming sick is one of the most expensive forms of protection that can be purchased. This is due to the high moral risk involved and the difficulty of the company's knowing whether a person really is sick. During hard times some people use every scheme for getting something for nothing, and beating an insurance company is one of their favorite methods. To make up the loss caused by dishonest persons, the rate on sickness insurance must be high. Those who make every effort to keep well must pay the expenses of those who are careless and indifferent, if not dishonest. The moral risk is so difficult for the insurance companies to handle that they absolutely refuse to write a policy on certain types of people who make up their minds in advance to see to it that the company eventually pays all their premiums, thus leaving the company with no income for carrying on the business. Many fraternal associations, which are not regular insurance companies, offer sickness and accident insurance to their members, and the premiums may seem quite small. The difficulty with such insurance is the uncertainty of the protection to be received by the insured. There is usually no capital or reserve to guarantee the future performance of the contract. The policyholder is only a member of a group, and this group is governed by directors who possess, under the by-laws, almost unlimited powers to change the kind of policy and the amount of the premiums at any time. All the serious hazards usually are so restricted that the insured gets very little pay for more than a week or two, and no pay at all when the accident is connected in any way with a violation of law, intoxicants, or other questionable means.

328. Beware of Twisters. It is commonly called twisting when an insurance agent, by means of misrepresentation or failure to state material facts, influences a person to drop his policy with one company and to take out a new one in another. By misrepresentation or an incomplete comparison of the old and the new contracts, the agent will make his proposition

appear like quite a saving of money or like more insurance for the same money. The only one likely to gain in changing from one policy to another is the agent himself who, of course, gets his commission. To the insured the transaction is a loss, since the first year's premium, as a rule, goes to pay the agent for selling the policy and to meet the expense of getting the insured person's name on the company's books. No one can afford to pay this expense the second time, and any saving would have to be very large in order to offset the initial expense. Beware of the twister.

PROPERTY INSURANCE—Unit 3

329. All Property in Danger. Next to life, health, and accident, the greatest hazard, perhaps, which may cause money loss to most persons is the ownership of property. Fire, wind-storm, tornado, hail, flood, or earthquake may wipe out in a few minutes the property that a person may have spent an entire lifetime in accumulating. Burglars or bandits operate constantly over the land, and it is usually very risky to attempt to resist them. Money, watches, diamonds, and other jewelry may be very valuable, and it may have taken a long time to earn them; but protecting these articles is not worth the risking of one's life. For a small fee an insurance company is willing to assume any or all of these hazards. Thus people are able to go about their daily life without worry if misfortune does come.

330. Insurable Interest. In order for any insurance to be of value, it is necessary for a policyholder to have a valuable interest in the thing insured at the time of the loss. We have a valuable interest in a thing when the absence of that thing will cause us a money loss.

The buyer of an automobile who has obtained possession but has not yet paid all that he owes on it has an insurable

interest; likewise, has the dealer or lender of the money. The test, always, of an insurable interest, is whether or not an injury to the property will cause an actual loss to the insured;

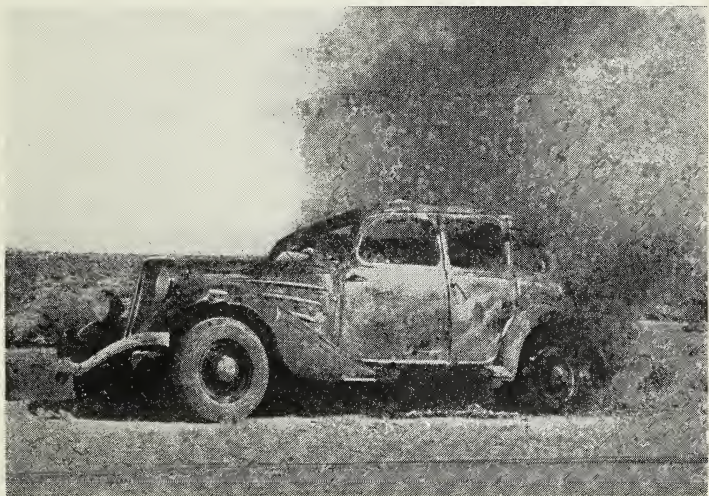


Fire is a risk that confronts every person. One's entire life savings may go up in smoke in a few minutes unless he is fully protected by insurance.

if it will, an insurable interest then exists. Without an insurable interest, an insurance policy would be nothing more than a gambling contract and, therefore, illegal.

331. Insurance Does Not Follow the Property. A policy is void if any change other than death of the insured takes place. The insurance company agrees to pay only under the exact conditions existing at the time at which the policy is

written. When property is removed or changed or ownership is shifted, the original conditions have changed, and the insurance company no longer is liable. For example, if a man trades or sells his automobile, after having it insured, he creates an entirely new condition which was not agreed to when the policy was written. The policy would be of no value to the former owner or to the new owner. The policy may, however, be transferred to the new owner with the consent of the insurance company.



No one can afford to risk the destruction of his property by fire when fire insurance costs so little.

332. Fire Insurance the Most Common Need. Since the greatest number of people have their worldly wealth tied up in the form of a dwelling or an automobile, fire insurance is the most necessary and useful protection of property for the great mass of citizens. Any general insurance agent—and there are several of them in almost every community—will supply the necessary policy. The applicant tells his agent what property

he desires to insure, whether it is a house, garage, or the contents of a residence, states the amount of insurance desired, and gives details as to any indebtedness against the property. With this information, and the payment of the premium, an insurance company will usually issue the policy. Fire insurance policies read practically the same in all stock companies, the general conditions being printed on the inside of the policy.

333. Fire Insurance Policies. Standard fire insurance policies make the following provisions: (1) They state the time during which the insurance is to be in force; it is usually from noon of a certain day in a certain year until noon of some succeeding day and year. Policies may be written for one, three, or five years, the premium for three years being no more than for two. (2) They require an accurate description of the property covered by the policy, and the items which are excluded by the policy, such as drawings, curiosities, jewels, manuscripts, medals, or other articles which may be of personal interest and value only to the person possessing them. (3) They hold the right, in case the insured attempts to misrepresent property or values, for the company to cancel the policy. (4) They prohibit the storing of gasoline on or near the premises without permission, and require the insured to use all possible care to prevent the spread of fire and to extinguish it. (5) They deny the insured the right to abandon the property to the insurance company. This means that, in case of partial loss, the insured cannot leave the property without protection, or compel the company to take what remains.

334. Liability of Fire Insurance Company. Insurance covers losses resulting from the carelessness or negligence of the insured. This is true whether the loss is a result of the carelessness of the insured or of others, or the result of unavoidable accident; however, if the negligence is so great as to show an evil intent or misconduct on the part of the insured, it will destroy his claim for damages. Losses by fire include not only damages done by the fire, but also such as result from scorch-

ing, smoke, or water used in putting out the fire, or from the effects of hasty removal of the goods to a place of safety. If there is no clause in the policy including loss by lightning or earthquake, the insured will not be entitled to indemnity for such losses.

335. Coinsurance Clause. The coinsurance clause, also called the average clause, reduced rate clause, or percentage value clause, has come into use within recent years. This clause provides that the company shall not be liable for a greater proportion of any loss or damage than the sum for which the property is insured bears to per cent of the actual cash value of the property at the time the loss shall happen. Although any percentage may be inserted in the blank spaces of the coinsurance clause, eighty per cent is the most commonly used in this country. Its use is based upon the theory that only eighty per cent of the value of the property can be destroyed by fire, because a certain proportion of the masonry and concrete work will remain. If the rates are figured on this basis, and if the insured is not willing to carry insurance to eighty per cent of the value of his property, the clause makes him in effect an insurer for the difference between the amount of insurance carried and the eighty per cent required. He will then have to bear his share of the loss, and the company will pay only in the proportion that the face of the policy bears to eighty per cent of the value of the property.

336. Coinsurance Clause in Practice. The purpose of the coinsurance clause is to distribute the fire loss equitably among policyholders. Owners wishing to underinsure are prevented from shifting part of their burdens to others who desire or are required by bankers or creditors to carry full protection.

The operation of the clause furnishes an incentive for the policyholder to insure his property fully and to increase his insurance when there is an increase in property values.

337. Application of the Clause. The following illustrations will serve to indicate the manner in which losses are settled under an eighty per cent clause. The home owner may calculate the payment to which he would be entitled under his coin-surance clause by using the following illustrations as models:

A

When insurance exceeding 80% of value is carried.

Value of property	\$10,000
Insurance required	8,000
Insurance carried	9,000

All losses up to \$9,000—Paid in full.

B

When insurance to 80% of value is carried.

Value of property	\$10,000
Insurance required	8,000
Insurance carried	8,000

Losses exceeding \$8,000—Face of policy paid \$8,000.

All losses under \$8,000—Paid in full.

C

When insurance to less than 80% of value is carried.

Value of property	\$10,000
Insurance required	8,000
Insurance carried	5,000

Losses exceeding \$8,000—Face of policy paid \$5,000.

All losses under \$8,000—Paid in proportion that \$5,000 bears to \$8,000 or five-eighths of the loss.

338. Permit for Special Conditions. Almost every policy provides for the issuing of a permit by the company to the insured whenever he has occasion:

1. To vacate the premises for more than thirty days.
2. To use any inflammable material or store it in or near the premises.
3. To place a mortgage upon the property.
4. To undertake the repairs to the property.
5. To apply for other insurance.

339. Other Insurance. Whenever an applicant for fire insurance has a policy in any company and wishes to increase his insurance by taking a policy with another company, he

must receive the permission of the company which issued the first policy before he can take out a second policy with another company.

340. Provision for Fixing the Amount of Loss. Most policies are provided with some means for fixing the amount of loss in case of fire. If the insured does not agree to the amount fixed by the insurance company, each usually selects a representative to argue the matter; in case the two cannot agree, then the insured and the company select a third person, and the three arbitrate the amount to be paid to the insured.

341. Options of the Company in Case of Loss. The company, in case of loss, may take over the whole property or make good the loss by restoring the property to its former state of usefulness. The company thus may repair, rebuild, or replace any building, structure, or machinery with others of like kind and quality within a reasonable time. The fire insurance company is required to give notice of its intention within a certain number of days, usually fifteen.

342. Overinsurance. In order to prevent the temptation to policyholders to recover their business losses during a period of hard times, or to rid themselves of unsalable property by arson, the insurance companies provide that overinsurance shall not create a claim for payment for an amount greater than the loss actually suffered, even in the event of total loss.

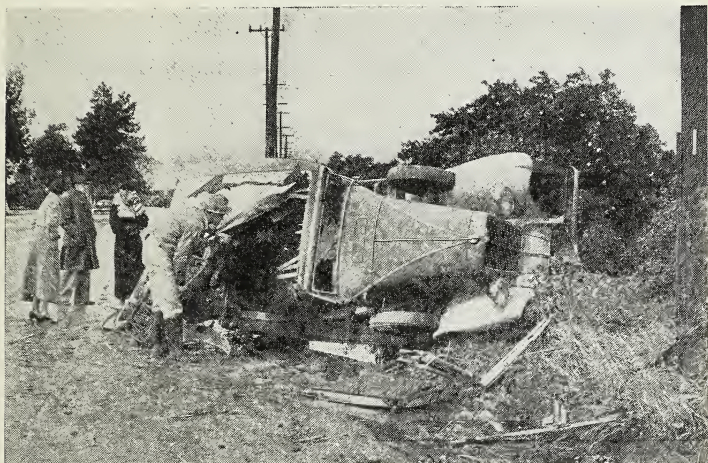
AUTOMOBILE INSURANCE—Unit 4

343. Today's Greatest Hazard. The owner of an automobile is likely to have losses which may be occasioned by any one of several causes, such as fire, theft, lightning, flood, windstorm, explosion, earthquake, falling rocks, collision, or upset; but his greatest liability is that of causing bodily injury to another person. Smashing and ruining another car can be definitely estimated as to the amount of money damages, but

the slightest injury to person cannot be estimated. It may be set by a judge or jury to the amount of one, five, ten, or twenty thousand dollars, or even more. In some states every automobile owner is required by law to carry insurance that will pay for injury to persons; in other states the owner is not compelled to carry insurance, but in case of accident in which the owner is held liable and is unable to pay, his license to drive is taken away. Insuring against every form of automobile liability is referred to as complete coverage. The premium charged for complete coverage, however, is so high that the average owner of an automobile is unable to pay it. In such case, the next best thing for him to do is to carry public liability—insurance against bodily injury to others, and property damage—insurance against injury to the property of others. He must usually carry his own risk against damage to his own car, called collision insurance, because full-coverage collision insurance is quite expensive. As with sickness insurance, there is a great moral risk in insuring an automobile against all losses. During hard times many persons will try to beat the game by purposely having a fire or by removing valuable parts and reporting them as stolen. Complete insurance also causes many persons to have more accidents than they might otherwise have; knowing that they are fully protected against loss, they become reckless and indifferent.

344. What Most Policies Provide. The time has passed when insurance companies will pay the owners far more than their cars are worth on a declining market. The more responsible companies now insure only on the market-value-at-the-time-of-loss basis. Thus, a policy insuring the value of the car for \$600 in case of complete loss will not necessarily pay the owner that amount. The company reserves the right to replace the car with a similar one, satisfactory, of course, to the insured; or it will pay the market value of the car which, at the time of loss, may be considerably less than \$600, the amount of the policy. In case of partial damage, the company may repair the damage at its own expense without paying the

owner anything. On collision and upset, the insurance policy usually provides that the company will pay only for damage in excess of \$25, \$50 or \$100. The purpose of this is to make the owner himself bear some of the loss so that he will be more careful. Insurance against injury to another person for not less than \$10,000 should be carried to cover any single injury,



The cost of accident insurance is not high, and it is worth its cost, provided there are not too many restrictions regarding the manner in which a person may be injured. Life insurance was needed in this accident.

doubling to \$20,000 in case of injury to more than one person. Insurance against damage to the property of others for not less than \$1,000 should be carried.

345. Choosing an Automobile Insurance Company. In buying automobile insurance, it is very essential that a reliable company be selected. Fly-by-night concerns are sometimes engaged in writing this form of insurance, and their bargain rates appeal to many persons who are looking for something cheap. These companies are very prompt in collecting premiums from the insured, but they are not so prompt when it comes to making settlement for a loss. In many cases the com-

panies cease to exist, and the insured does not know it until an accident occurs; then he discovers that his supposed insurance is worthless. In choosing a company, it is a good plan to find out about the rating of the company and to find someone holding a policy with whom the company has settled for an accident. When a person has been cheated in insurance matters, he usually lets people know about it.

346. What to do When an Accident Occurs. The value of a person's insurance may be affected by what he does or fails to do when an accident occurs. The Automobile Club of Southern California gives the following advice:

1. In case of accident involving personal injuries or death, if occurring within the limits of an incorporated city or town, make a report within twenty-four hours to police headquarters. If occurring in other territory, forward a report immediately to the Division of Motor Vehicles at the capital city of your state.

2. In case of accident involving damage to public property, make a report within twenty-four hours to police headquarters. In every case, report accident at once to your insurance carrier.

3. Do not fail to give first aid to any and all injured persons.

4. Do not argue at scene of accident with others involved.

5. Do not admit liability or accept or agree to pay damages.

347. When Automobile Insurance May Be Void. Under a very recent ruling, the Bodily Injury Liability clause in insurance policies prohibits the operation of the car by any person under the age of fourteen, or by any person in violation of any state or federal law. This is a very important feature because so many states have a minimum age under which operation of any automobile is prohibited. The California age limit, for example, is fourteen years; Wyoming is fifteen; Wisconsin is sixteen; New York is eighteen; Kansas is twelve; Delaware is eighteen; Colorado is fifteen.

PROTECTION AGAINST OTHER HAZARDS—Unit 5

348. **Fidelity Insurance.** One form of protection which every young person should know about is referred to as fidelity insurance. Fidelity means honesty, truthfulness, accuracy, faithfulness, loyalty. Many positions in the business world, especially those involving the handling of money, require what is called a fidelity or surety bond which protects the employer against dishonesty on the part of the employee. For a certain fee, insurance companies are willing to carry the risk of an employee's making away with the firm's cash, but only after the insurance company has made a very careful investigation of the employee's past history. For this reason the young person who has allowed a blot to occur on his good name is very likely, sooner or later, to find this blot staring him in the face when he has a fine position offered him. The bonding company is sure to discover the trouble, which means that the company will refuse to write a bond on the applicant. Such a refusal is sufficient notice to an employer that the young person is not a safe risk. Women and men are treated alike by the bonding companies.

349. **Surety Bonds Based on Reputation.** Fidelity or surety bonds are more difficult to secure now than before the depression. It is generally true that during hard times many trusted employees resort to dishonesty in order to make ends meet; consequently the amount of the losses paid by insurance companies becomes so great that many companies either have to go out of business or quit writing bonds. Since surety bonds are written on the reputation of an individual, there is usually nothing for the insurance company to salvage in case of loss. Applicants for surety bonds today are investigated more carefully than ever, and they must show more than ordinary dependability in order to be bonded for insurance.

The amounts written on surety bonds vary according to the classes of business and the responsibility entrusted to employees. The limits of amounts are from \$500 on clerks and inside

salespeople to \$5,000 on bookkeepers, cashiers, and branch managers. The cost of a bond also varies according to the position the employee occupies. The rates vary from twenty-five cents to a dollar and a half a hundred on ordinary positions, such as those of bookkeepers, cashiers, and outside collectors. Since the protection is all in favor of the employer, it is his duty to pay the premiums.

350. Other Forms of Insurance. Other forms of insurance, such as marine, parcel post, explosion, plate glass, bad debts, and accident policies covering travelers for a very short period, are but a few of the many different insurances available; these, however, are used by a relatively small class of purchasers as compared with the number of life, accident, and automobile policies purchased; hence, there is no need of dealing with them here.

351. Read Your Policy. It does not take a lawyer to tell you what a policy means. The courts have held that the insurance company is not liable for statements made by their agents if the statements are not included in the policy.

Certain lines in a policy usually contain the following words: "No officer, agent, or other representative of this company shall have power to waive any provision or condition of this policy, *except by writing indorsed hereon or added hereto.*" This means that no matter what the agent has told you, you cannot hold the insurance company for anything not contained in the policy. If a policyholder merely thinks his furniture is insured because his house is, it is his fault and not that of the insurance company.

Contracts of insurance require the utmost good faith between the parties to the agreement. While it is not always true of other contracts, it is the duty of the party seeking insurance to tell of any circumstances which he knows might increase the risk. It is, therefore, necessary that an applicant for insurance give correct answers to all questions, supply information, and disclose all facts that might reasonably influ-

ence an insurance company in deciding whether or not to issue a policy or else to make a rate that will cover the risk.

352. Historical Facts About Insurance. The great fire of London, which raged continuously for four days from September 2, 1666, opened the



eyes of the world to the possibility of loss by fire. Companies were soon organized for insuring against fire, and one of them, established in 1696, has survived the test of time and is in existence to-day. While a form of marine insurance existed in Spain as early as 1435, it was not until 1688 when English merchants and shipowners started to meet daily in a coffee shop kept by Edward Lloyd in Tower Street, London, to consider assuming risks for payment of a fee or premium.

While a form of marine insurance existed in Spain as early as 1435, it was not until 1688 when English merchants and shipowners started to meet daily in a coffee shop kept by Edward Lloyd in Tower Street, London, for the purpose of

assuming risks in consideration of a premium in cash. This was the beginning of Lloyd's of London, the oldest and best-known marine insurance company. In the year 1743, Lloyd's of London began to recognize the money value of the continued life of a ship's captain by paying the death indemnity in connection with the marine insurance of a cargo. Credit for being the first to apply mathematical calculations to the valuation of human life belongs to John de Witt, counsellor of Hol-



The relief supplied by insurance during one year if laid out in single dollar bills would stretch around the earth ten times.

land, whose study was the scientific foundation of life insurance. The first company to do a general life insurance business in the United States was incorporated in 1812.

353. **Insurance Now a Huge Business.** Some idea of the magnitude of the insurance business may be had from the following comparisons made by B. C. Forbes, editor of *Forbes Magazine*.

“The relief supplied by insurance during the last year if laid out in single dollar bills end to end would stretch over 250,000 miles, enough to encircle the globe ten times—enough to reach the moon. Or, if you stacked five-dollar gold pieces, the pile would rise to the height of 2,300 Empire State Buildings atop one another. The nation’s accident bill last year totaled two billion dollars in wages lost and medical expenses, besides the 89,500 lives lost and 85,000 permanent injuries caused.”

Questions on the Text

Sec. 307. How is youth inclined to look at life and death? Who are faced by the hazards of life? Why?

Sec. 308. What are the four causes of death? Which is the most frequent cause? What is our greatest asset, and upon what does it depend? Who is responsible for our health? How can we get others to assume part of our risks? What is the business of taking risks called? How do companies know what to charge for taking risks?

Sec. 309. Upon what is insurance based? Explain what is meant by the law of averages. According to the American Experience Table, how much longer is a person fifteen years of age supposed to live? How many will die at the age of fifteen? Why doesn't it matter to the insurance company which particular people die? Explain how the law of averages works in the case of fire insurance.

Sec. 310. Why does insurance cost money? What is the first principle of insurance? What is meant by the premium? How can a person find out how serious a risk is? What three factors govern all risk-taking? Upon what persons do insurance companies avoid taking risks? Upon whom do they charge high premiums?

Sec. 311. How does the kind of life one leads affect the cost of his insurance? Explain how the liquor traffic is affecting the cost of insurance.

Sec. 312. Name some risks that insurance companies are willing to insure against. Tell about the insurance on the little boy's steamboat.

Sec. 313. Why can't the average person insure against all his risks? What can he do?

Sec. 314. Define the following terms:

- | | | |
|-----------------|------------------------|---------------------------|
| 1. Policy. | 6. Lapse. | 11. Cash-surrender value. |
| 2. Premium. | 7. Insurable interest. | 12. Paid-up insurance. |
| 3. Dividends. | 8. Cancellation. | 13. Ordinary life policy. |
| 4. Beneficiary. | 9. Reinstatement. | 14. Term insurance. |
| 5. Terms. | 10. Loan value. | 15. Endowment policy. |

Sec. 315. Which kind of insurance should everyone consider first? Which should be considered next? Why should a young person take out life insurance at as early an age as possible?

Sec. 316. Who is eligible for life insurance? Who are not desired by life insurance companies? In whose life has another an insurable interest?

Sec. 317. How much life insurance should one take out? What part of the family income may properly be spent for insurance? Should life insurance be regarded as a form of savings or as an investment?

Sec. 318. What is the best policy for a young person? What are the advantages and disadvantages of this policy? When do premiums on a policy stop?

Sec. 319. To whom should a life insurance policy be made payable? Why?

Sec. 320. Explain the purpose of the disability clause in the life insurance policy.

Sec. 321. What is the effect of the double indemnity clause? What does it cost to take advantage of it? How do the disability and double indemnity provisions differ from sick and accident insurance?

Sec. 322. What must the applicant do when applying for insurance? In what way are policies in different companies similar?

Sec. 323. How does good management in a company affect the cost of insurance? What effect do dividends have upon the net cost of insurance?

Sec. 324. What should one take into consideration in choosing a company with which to insure? What is the purpose of *Best's Insurance Reports*?

Sec. 325. What is the disadvantage of industrial insurance? Why cannot one escape taxes by putting his savings into life insurance? What is the defect in a long-term contract?

Sec. 326. What is the advantage of having accident insurance? What is likely to be the trouble with a bargain accident policy?

Sec. 327. Why is sickness insurance quite high? Upon what types of people do insurance companies refuse to write sickness insurance? Why is it usually not a good plan to take out sickness insurance in a fraternal association?

Sec. 328. What is meant by twisting? Explain why one should beware of twisters.

Sec. 329. Name other hazards, besides those of life, health, and accident. How can one protect himself against hazards?

Sec. 330. What is meant by an insurable interest? Illustrate an insurable interest. What is the test of an insurable interest?

Sec. 331. Under what circumstances may a property-insurance policy become worthless? Illustrate.

Sec. 332. Against what is it most necessary to protect property? Explain how one goes about buying a fire-insurance policy.

Sec. 333. What five provisions do fire-insurance policies make?

Sec. 324. Can one recover under a fire insurance policy if the fire is caused by his or someone else's carelessness? Can he recover if he was so negligent that it practically amounted to his starting the fire? What besides fire damage is covered by a fire insurance policy?

Sec. 325. Explain what is meant by the coinsurance or average clause. If the coinsurance calls for insurance up to 80 per cent of the cash value of the property, what happens if the insured insures only up to 60 per cent of the value of the property?

Sec. 326. What is the real purpose of the coinsurance clause? What does it encourage policyholders to do?

Sec. 327. In Problem A, if the loss were \$10,000, how much could the policyholder recover? In Problem B, if the loss were \$10,000, how much could he recover? In Problem C, if the loss were \$8,000, how much could the policyholder recover?

Sec. 338. What five things can the holder of a fire-insurance policy do if he gets a permit?

Sec. 339. What must a policyholder do if he wishes to take out additional fire insurance in another company?

Sec. 340. In case the insured and the company cannot agree upon the amount of the fire loss, how is the amount of the loss fixed?

Sec. 341. What options does the fire-insurance company have in settling for the loss?

Sec. 342. Why does it do no good to insure property for more than it is worth?

Sec. 343. What are the hazards of an automobile owner? What sort of losses are hard to estimate? What is meant by complete

coverage? If an owner can't afford to carry complete coverage, what should he carry? What dishonest practices sometimes develop through automobile insurance?

Sec. 344. What would an owner receive were his automobile completely destroyed? In case of partial loss, what would the insurance company do? What is a common provision regarding collision and upset? What is the purpose of collision and upset insurance? What should be the amount of the personal injury and property insurance?

Sec. 345. Of what should one be careful in choosing an automobile insurance company? What is a good plan to follow in choosing a company?

Sec. 346. What five things should a person do when an automobile accident occurs?

Sec. 347. Explain how the age of the driver may affect recovery under an insurance policy.

Sec. 348. What is the purpose of a fidelity or surety bond? What does a company do before issuing one? Of what interest should this information be to young people?

Sec. 349. Why are surety bonds difficult to secure during a depression? Why can't an insurance company recover its loss on a surety bond? For what amounts are surety bonds usually written? What is the cost of surety bonds? Who pays the premiums?

Sec. 350. What are some other forms of insurance?

Sec. 351. Explain why a company is not liable for anything not contained in the policy. As far as good faith is concerned, what is the duty of the person seeking insurance?

Sec. 352. What is the history of modern fire insurance? Tell about the beginning of modern marine insurance. How did Lloyd's Insurance Company, of London, get started? Who is credited with working out the scientific principles of life insurance? When was the first life insurance company started in the United States?

Sec. 353. Give some idea of the size of the insurance business. What was the nation's accident bill last year?

For Class Discussion

Sec. 307. Why are older people inclined to take fewer unnecessary risks than young folks? By being careful, can one avoid all risks of life?

Sec. 308. In what way can insurance lessen the risks of life? Is insurance just a matter of luck?

Sec. 309. Explain how life insurance is based upon the law of averages. How do you think the American Experience of Mortality Table was made? How would you go about making a fire-insurance rate table?

Sec. 310. Why would it not be a good idea to wait until a loss occurs and then let all the policyholders chip in and pay it? Explain and illustrate what is meant by the statement that all risk-taking by insurance companies is based upon physical, financial, and moral considerations.

Sec. 311. Illustrate why an immoral person is a poor risk for an insurance company. Why do you think the young man in the beer parlor was not eligible for insurance?

Sec. 312. It is customary for the management of the Pasadena Tournament of Roses Association to insure against the loss that would be caused by a heavy rain on New Year's day. If so, how do you think the insurance company figures the premium? How do you think an insurance company figures the amount of the premium to charge a farmer for insurance against crop failure?

Sec. 313. What kinds of insurance does the average person carry?

Sec. 315. Why are life insurance rates less on the lives of young people than on the lives of older people? If one takes out a policy when he is young, do his premiums get larger as he grows older? Explain.

Sec. 316. Why should a person not be allowed to insure the life of one to whom he is not related or in whom he has no financial interest?

Sec. 317. What kind of long-time insurance plan might a young person adopt?

Sec. 318. Why is an ordinary life policy better for a young person than a 20-year endowment or a 20-payment life policy?

Sec. 319. Why is it better to have a policy payable to a particular person than to one's estate? Are there any disadvantages in having the proceeds of a policy payable in monthly instalments instead of in a lump sum?

Sec. 320. Give some examples illustrating total disability.

Sec. 321. Why can insurance companies afford to charge so little for including the total-disability and fatal-accident clauses?

Sec. 322. Explain how the applicant's misstatement at the time of the application might affect the insurance company's settlement after the insured's death.

Sec. 323. Can an insurance company guarantee in advance what its dividends will be? If not, how can a person choosing a company tell which one will be likely to pay the largest dividends? Should one allow dividends to remain with the company to earn interest or buy more insurance, or should he use them to help pay the premiums?

Sec. 324. If you were going to buy some life insurance, how would you go about choosing a company?

Sec. 325. Why are premiums higher if paid weekly than if paid annually? Explain how the value of money may change over a period of years. How would this change affect the value of the proceeds of a policy as compared with the value of the money paid in as premiums?

Sec. 326. How do insurance companies know what rates to charge for accident insurance? Explain why insurance against the hazards mentioned in the example given in this section is of no value to the policyholder. Can you give other examples that illustrate the same point?

Sec. 327. Give arguments for and against sickness insurance. Does sickness insurance prevent one from getting sick? Just what does it do? Upon what does the amount of the premium for sickness insurance depend? How is it determined what amount will be paid each week to a person while he is sick? What is meant by a fraternal insurance association?

Sec. 328. How do you suppose the practice described in this section got to be called twisting?

Sec. 329. What do you consider common hazards, outside of the risks to one's life?

Sec. 330. Why should an insurance company care whether a person has an insurable interest in property that he wishes to insure?

Sec. 331. What is meant by insurance "following the property"? What reason is there for insurance companies' not allowing insurance to follow the property?

Sec. 332. Have you known many people whose houses have burned? Have you seen many houses burn? Why do you think so many people buy fire insurance?

Sec. 333. Discuss the meaning and purpose of each of the five provisions given in this section.

Sec. 334. Name some acts of carelessness that might start a fire in a home. Why do insurance companies allow policyholders to recover losses from fires started by their careless acts? Should one be allowed to recover for a fire started, without his knowledge, by a tramp or an enemy?

Sec. 335-337. Work out other illustrations showing the different ways that coinsurance might operate.

Sec. 338-339. Tell why you think the six things mentioned in these sections should not be done without a special permit.

Sec. 341. Tell why you think it is fair or unfair for an insurance company to be allowed to repair damaged property instead of being required to pay cash for it?

Sec. 342. If a house worth \$4,000 and insured for \$5,000 were totally destroyed by fire, how much would the owner be allowed to recover?

Sec. 343. Why are property owners more likely to be found carrying automobile insurance than are non-property owners? What kind of automobile insurance are property owners most interested in carrying? Why? Do you think that all automobile owners should be compelled by law to carry bodily-injury and property-damage insurance? Give reasons for your answer.

Sec. 344. Suppose your automobile is two or three years old, and it is insured against fire and theft. What do you think the insurance should do for you if the machine is burned up or stolen? What is meant by collision and upset insurance? If you could buy collision and upset insurance on a two-year-old car for \$35 a year, would it

pay you to take it? If you could buy it for half price by relieving the company of liability up to \$25, would you consider it a better buy than paying full price with full liability? Have you heard of any other plan for this type of insurance than either of these two? Why is insurance against damage to the property of others much cheaper than collision and upset insurance? How do the courts determine the amount of money damages an injured person should receive? If a person is killed, how do the courts determine the amount of damages his heirs should receive?

Sec. 346. Why should one always report an accident to his insurance company, even if no one seems to be injured very much? What is the danger in attempting to give first aid to an injured person? Why should one not admit liability or accept or agree to accept damages in a personal-injury accident?

Sec. 348-349. Give examples of cases in which fidelity or surety bonds would be required. If you were an insurance agent, what investigation would you make before issuing a surety bond for someone?

Sec. 350. Discuss some other form of insurance about which you know.

Sec. 351. Why should a person be careful not to make mistakes in answering the questions on an application blank for insurance? If a person rushed downtown and insured his house after it had caught on fire, would the policy be good if the agent did not ask the owner whether his house was on fire right at that time?

Thought Questions and Problems

Sec. 307. In what ways have medical science, better sanitation, and stricter safety laws in factories taken away some of the uncertainties from life? How should this affect insurance rates? How has the automobile added to the uncertainties of life? How should this affect insurance rates?

Sec. 308. What risks can insurance *not* assume for us?

Sec. 309. Why would it be unwise for a life insurance company to do business in only one state or community? Of what other kinds of insurance would this be true? The following is a section of the American Experience Table of Mortality:

AGE	Number Surviving Each Year	Deaths in Each Year	Death Rate per 1000	Expecta- tion of Life	AGE	Number Surviving Each Year	Deaths in Each Year	Death Rate per 1000	Expecta- tion of Life
10	100,000	749	7.490	48.7	20	92,637	723	7.805	42.2
11	99,251	746	7.516	48.1	30	85,411	720	8.427	35.3
12	98,505	743	7.543	47.5	40	78,106	765	9.794	28.2
13	97,762	740	7.569	46.8	50	69,804	962	13.781	20.9
14	97,022	737	7.596	46.2	60	57,917	1,546	26.693	14.1
15	96,285	735	7.634	45.5	70	38,569	2,391	61.993	8.5
16	95,550	732	7.661	44.9	80	14,474	2,091	144.466	4.4
17	94,818	729	7.688	44.2	90	847	385	454.545	1.4
18	94,089	727	7.727	43.5	95	3	3	1000.000	.5
19	93,362	725	7.765	42.9					

On the basis of the above table how long may people of the following ages expect to live: 12? 18? 30? 70? If an insurance company has 9,600 policies in which the age of the insured is 40, how many of these policyholders may be expected to die within one year? What percentage of people who are 18 years of age reach the age of 80? Will every boy and girl 15 years old live 45.5 more years, no more, no less?

Sec. 310. Do you think it is fair for insurance companies to use part of the premiums paid by policyholders to build up cash reserves? Which of the following do you think would be unable to buy life insurance, and which do you think could buy it by paying high premiums:

- | | | |
|---------------|-------------------|--|
| 1. Gangsters? | 6. Blind people? | 11. People with cancer? |
| 2. Soldiers? | 7. Deaf people? | 12. People who are ill
with tuberculosis? |
| 3. Aviators? | 8. Lame people? | 13. Insane people? |
| 4. Policemen? | 9. Drink addicts? | 14. Idiots? |
| 5. Firemen? | 10. Drug addicts? | |

Sec. 311. Give as many reasons as you can that might explain why insurance rates are rising?

Sec. 312. Look up and be prepared to tell the class about an interesting insurance policy, such as insuring a musician's hands, a dancer's feet, a movie star's life, a diamond necklace, a race horse, or an expensive wardrobe.

Sec. 314. Under what circumstances do you think a person might take out term insurance?

Sec. 315-318. Suppose a certain insurance company quotes the following rates:

AGE	ORDINARY LIFE	20-PAYMENT LIFE	20-YEAR ENDOWMENT
15	\$14.75	\$22.55	\$44.10
16	15.05	22.85	44.15
17	15.35	23.20	44.20
18	15.65	23.55	44.25
30	20.80	29.10	45.45
40	28.45	36.45	48.00
50	42.35	48.80	55.00
55	53.40	58.45	62.30

At the age of 15, what would be the annual premium for a \$3,000 policy for each type? At the age of 15, about how much more insurance can one get by buying ordinary life than by buying 20-payment life? About how much more can he get by buying ordinary life than by buying 20-year endowment? Why is there less difference in rates for a child of fifteen years of age than for a man of fifty years of age? How much more per thousand would a man of 55 pay for an ordinary-life policy than a youth of 15 would pay?

Sec. 320-321. Try to find out more about the disability and double indemnity clauses, and explain them to the class.

Sec. 323. (a) A certain insurance company paid the following dividends during a ten-year period on an ordinary-life policy, the premium being \$16.61:

1st year.....	\$0.00	6th year.....	\$1.24
2nd year.....	.98	7th year.....	1.68
3rd year.....	.83	8th year.....	2.37
4th year.....	.00	9th year.....	2.96
5th year.....	.93	10th year.....	3.11

What was the total amount of the dividends? What was the average dividend during the ten-year period? If the dividends were used to help pay the premiums, what was the average premium during the ten-year period?

(b) When John Smith was 20 years old, he took out an ordinary-life policy for \$5,000, annual premium \$16.30 per thousand. At the end of 20 years, the cash value of his policy was \$175 per thousand,

and he had received dividends totaling \$326.00 on his \$5,000 policy. What was the net cost of his insurance for the 20 years? What was the average net cost per year?

Sec. 325. If you know anyone who carries an industrial policy and pays the premiums weekly or monthly, find out how much more such a policy costs than one where the premium is paid annually or semi-annually.

Sec. 326-327. If you know anyone who has a sickness or an accident policy, read it and report to the class what you consider its good and poor features to be.

Sec. 330-331. Give some illustrations of insurable interest; of cases where insurance would not follow the property.

Sec. 333. 1. What would it cost to insure a house, furniture, and garage for one year at a premium rate of 34 cents per \$100, for the following amounts: House, \$4,500; furniture, \$2,000; garage, \$350? 2. What would it cost to insure this property for three years, if the premium rate is twice the rate for one year? How much is saved over what it would cost by paying three annual premiums? 3. What would it cost to insure the property for five years, if the premium rate is three times the rate for one year? How much is saved over what it would cost by paying five annual premiums?

Sec. 334. Since 1920, Mr. Smith has paid out \$305 for fire insurance. During this time he has collected the following amounts in losses: In 1923, \$12.50 for damage to a rug by sparks from his fireplace; in 1926, \$31 for burned draperies; in 1930, \$225 for damage to his house when his neighbor's house burned. How much has his insurance really cost him, not counting interest that he might have earned on his money? Do you think he has received any other benefit besides the money collected?

Sec. 337. 1. What would be the cost of a one-year fire-insurance policy on a house valued at \$4,300, if the policy has a coinsurance clause of 80 per cent and the rate is 31 cents per hundred?

2. Mr. Jones has a house valued at \$4,000. He insures it under a policy containing the 80 per cent clause, but insures it for only 50 per cent of its value. A fire damages his house to the extent of \$2,400. How much can he recover?

Sec. 338-342. Tell why you think the conditions and provisions of these sections are reasonable or unreasonable.

Sec. 343-347. Read an automobile insurance policy and be able to discuss its principal features. Prepare a paper or be able to give a talk on the subject, "The Advantages and Disadvantages of Automobile Insurance."

Sec. 348-349. Ask your teacher to get an application for a surety bond and a sample policy. Read them and be able to discuss them in class.

Sec. 352-353. Look up the word *insurance* in an encyclopedia, and be able to tell the class some interesting facts about it.

Word Study for Chapter XIII

SECTION

354. **Capacity**—amount a thing will hold; volume.
Common denominator—a number into which other numbers may be divided; a common multiple.
Ranging—consisting of; taking in; including; arranging systematically in a line or order.
Medium—that through which or by which anything is done.
355. **Adornment**—decoration; addition of beauty; ornamentation.
Extensive—far-reaching; taking up space; wide; comprehensive.
Durability—ability to last or endure a long time; permanence.
Transported—carried from one place to another.
Lapse—a gradual passing; a gliding or slipping away.
356. **Obvious**—plain; easily seen or understood; evident; apparent.
Absurd—unreasonable; ridiculous; nonsensical.
Assayer—one who tests ore to find out what it contains.
Retain—keep; continue to hold.
364. **Fetish**—anything which people are devoted to or worship without reasoning; image or idol.
365. **Assurance**—state of being sure; certainty; confidence.
366. **Conception**—idea; notion; picture of anything formed in the mind.
368. **Duplicated**—copied exactly.
370. **Conclusive evidence**—unquestionable, final, or convincing proof.
376. **Prospective**—looking forward in time; expected; anticipated.
381. **Lobby**—the main room in a bank; a waiting room.
382. **Specify**—to point out; to name or mention in a particular way.
383. **Deviate**—to change one's way of doing a thing; turn aside; depart.
Legible—easy to read; plain.
Solicitor—one who asks someone else to do a thing; petitioner.
Credentials—proofs, such as letters, showing that a person is to be trusted; testimonials.

384. **Detect**—find out; discover; expose.
Perforating—making holes by punching or boring.
385. **Revocation**—act of taking back or recalling; withdrawal.
386. **Data**—facts.
388. **Vouch for**—answer for; guarantee; bear witness for.
394. **Automatically**—without any action on the individual's part; self-acting; mechanically.
Alter—to change; make different.
396. **Postdated**—dated after the real time—for example, after the time a check is made.
Unintentional—not meant to be done; not planned; not intended.
398. **Verify**—to prove true or right.
399. **Irregularities**—those things which are not usual or as they should be.
403. **Isolated**—alone; far away; separated—for example, not close to large cities.
405. **Primarily**—first; chiefly; principally.
Comakers—people who together, or jointly, make or do things.
406. **Speculative**—having to do with risky business transactions entered into for the chance of large profit.
411. **Analyzing**—looking at or examining carefully.
414. **Accessible**—easy to get to; easy to see and talk to; approachable.
Expenditures—money spent or paid out; expenses.
Intimate—close; near.
Economic—having to do with money and wealth.
Discretion—carefulness; cautiousness; prudence.
Productive—profitable; useful.

Pretest for Chapter XIII

1. What is a good definition of money?
2. Why has gold always been considered valuable?
3. What is the objection to allowing any person to manufacture money?
4. What is the objection to the government's printing all the money needed for relief and other worthy purposes?
5. What should you do if some one gave you \$200 in gold?
6. How many dollars are in a greenback?
7. How did the dollar mark, \$, originate?
8. What methods can be used for sending money to a person in a distant city?
9. Why is money safer today in a bank than it would have been in 1930?
10. How do banks earn money with which to pay their expenses?
11. Is it a good plan to write one's signature on checks always in the same way, or should one change it a little each time?
12. If some one forges another's name to a check and cashes the check at a bank, who must bear the loss?
13. What is meant by indorsing a bank check?
14. Is there any objection to signing one's name on the back of another's check when asked to identify him at a bank?
15. Give several reasons why checks are sometimes refused payment at a bank?
16. How may a person living in an isolated place in the mountains or the desert make use of bank services?
17. What must a person do to be able to secure a small loan from a bank?
18. How can you assure a person that your check will be paid promptly when it is presented at the bank?
19. Where can one store valuable papers so that they will be safe from fire or theft?

CHAPTER XIII

MONEY AND BANKING SERVICES

354. **What Is Money.** Strictly speaking, money is a measure of value. Before we can exchange things, we must have some measure of their value. In order to find the length of anything, we may use the measure of one foot, and in order to find the capacity of anything we may use the measure of one quart or one bushel. In order to measure the value of



Money serves as a common denominator which enables people to compare the values of many different things, ranging from a pound of butter to a trip around the world.

anything, we may use the measure of one dollar or parts thereof. Money, therefore, serves as a common denominator which enables people to compare the values of many different things, ranging from a pound of butter to a trip around the world. How much is anything worth? We cannot answer this question without thinking in terms of money. Buyers and sellers cannot agree on prices except in terms of money. The exchange of one article for another requires some means for judging the value of each of the articles. The value of anything is fixed by the scarcity of it or by the labor required to produce it. In order to state the value of anything that is to

be exchanged, it is necessary to use a measure that can be recognized and easily accepted by two or more persons. The usual definition of money is that it is anything which circulates freely as a medium of exchange.

355. Measuring Values. Since the dawn of civilization, people have been exchanging things among themselves. This practice is termed barter. In America the first settlers in New England found that the Indians liked beads and other articles of adornment, and were eager to trade valuable furs for such articles. At various times in the history of our forefathers, beaver pelts, musket balls, corn, wheat, rye, dried fish, and many other articles have been used as measuring sticks for values, and accepted in payment of debts. Articles for which there was a general demand were fairly acceptable; but when exchange (business) became more extensive, it was necessary to have a medium of exchange that everyone could recognize as a measure of values. Dealings between the people of one nation and those of other countries required also the use of a medium which had value wherever it might be presented. Gold, because of its scarcity and durability, the ease with which it may be transported, and many other qualities peculiar to that metal, has been found better than any other thing to use for a measure of values and a medium of exchange. For these reasons, most countries have, at one time or another, tried to use gold as the standard of value. Because many exchanges, or business deals, involve a lapse of time—weeks or perhaps months—between order, shipment, delivery, and payment, a good medium must not change much in value or amount. Up to the present time, no other article has met these requirements so well as gold. Next to gold, it has been found that silver is the most usable metal for purposes of measure and exchange.

356. Requirements of Money. The laws forbidding private persons to create false signs of value in the form of either counterfeit money or bad checks, are, for obvious reasons, indeed very strict. How absurd it would be if every person

were free to write and print his own money and offer it as legal tender for all purposes! All forms of money would become false except only pieces of gold and silver, and these one would have to take to an assayer to make sure whether or not they had been mixed with some cheaper metal. Thus it is necessary for the government to make all money in order to insure as legal tender the value of the medium of exchange. Tender means to offer; legal tender money means money that must be accepted at its face value when offered in settlement of a debt. If the debtor tenders, or offers, it in payment of his debt, and the creditor refuses to accept it, the debtor is, nevertheless, by reason of his having tendered it, legally acquitted of his debt; in other words, the creditor must take the proffered money or lose his legal right to repayment.

No kind of money, not even gold and silver, will retain its value unless its quantity be limited. Gold and silver are limited both in natural amounts and by the amount of labor required to obtain them. If, by any discovery, gold should become as plentiful as iron, its money value would cease. Silver is worth much less than gold for no other reason than that it is far more plentiful.

Unfortunately, one of the first things people learned about money, after having invented it, was that those who had control over it could juggle it for their own selfish greed, as have certain tyrants and kings. It behooves everyone using money to handle it accurately and honestly, and to demand the same practice of government and of any business to which he is a party.

357. **Fiat Money.** When the government issues money that is not guaranteed by actual gold or silver stored away to replace it if necessary, such money is spoken of as fiat money, fiat meaning that the government sanctions it and decrees, "Let it be done." Fiat money is a piece of paper on which the government puts its stamp and says, "This is money." If people decline to accept it, the government passes a law saying, "This money is money for all purposes, and full legal

tender, and it is forbidden for anyone to refuse to accept it as such." Fiat money carries no promise that the government will exchange gold or silver for it.

358. Paper Money. Paper money is created to serve as a convenient and necessary substitute for gold and silver, because there is not enough gold and silver to pass from hand to hand in transacting the daily business of the world. Like gold and silver, paper money retains its value only when its quantity is limited. Unlike gold, the quantity of paper money is limited neither by nature nor by the labor of producing it. In one week the United States Bureau of Engraving and Printing could produce a million dollars in paper money for each man, woman, and child in the country, but what would it be worth? So long as people believe in the integrity of their government and trust it not to issue more paper money than is needed as a substitute for gold and silver, they are content. Most persons would rather carry paper money than metal money. On June 5, 1933, Congress passed a law by which our paper money would not be redeemed in gold in the future upon demand, and all persons holding paper money on which were printed the words, "PAYABLE IN GOLD COIN," were ordered to turn in such money to the government in exchange for other paper money not redeemable in gold. There are now only four kinds of paper money for use in this country: Silver Certificate, Greenback, National Bank Currency, and Federal Reserve Notes.

359. Silver Certificate. The silver certificate is the one-dollar bill, on the face of which is engraved, "SILVER CERTIFICATE," and the statement, "THIS CERTIFIES THAT THERE IS ON DEPOSIT IN THE TREASURY OF THE UNITED STATES OF AMERICA ONE DOLLAR IN SILVER PAYABLE TO THE BEARER ON DEMAND." It is signed in the lower right-hand corner by the Secretary of the Treasury. In the center is a portrait of George Washington.

360. **Greenback.** The greenback is the five-dollar bill, on the face of which is engraved, "UNITED STATES NOTE," and the words, "THE UNITED STATES OF AMERICA WILL PAY TO THE BEARER ON DEMAND FIVE DOLLARS." In small letters is the statement, "THIS NOTE IS LEGAL TENDER AT ITS FACE VALUE FOR ALL DEBTS PUBLIC AND PRIVATE, EXCEPT DUTIES ON IMPORTS AND INTEREST ON THE PUBLIC DEBT." In the center is a portrait of Lincoln, and in the lower right-hand corner is the signature of the Secretary of the Treasury.

361. **National Bank Currency.** National Bank Currency appears in all denominations. Engraved upon each is, "NATIONAL CURRENCY," and the phrase, "SECURED BY UNITED STATES BONDS DEPOSITED WITH THE TREASURER OF THE UNITED STATES OF AMERICA." At the left: "—— NATIONAL BANK OF —— (name of some city) WILL PAY TO THE BEARER ON DEMAND TEN DOLLARS." At the right in small letters is, "REDEEMABLE IN LAWFUL MONEY ON THE UNITED STATES TREASURY OR AT THE BANK OF ISSUE." It is signed by the president of the issuing bank. National banks no longer are permitted to issue money, and as soon as their notes now in circulation wear out, these national bank notes will disappear.

362. **Federal Reserve Notes.** Federal Reserve Notes may be in the denominations of ten, twenty, fifty, or one hundred dollars. On the face of these is engraved, "FEDERAL RESERVE NOTE," and the statement, "THE UNITED STATES OF AMERICA WILL PAY TO THE BEARER ON DEMAND —— DOLLARS." In small letters at the left is the guarantee, "REDEEMABLE IN GOLD ON DEMAND AT THE UNITED STATES TREASURY, OR IN GOLD OR LAWFUL MONEY AT ANY FEDERAL RESERVE BANK." In the center is a portrait of Alexander Hamilton. In the lower right-hand corner is the signature of the Secretary of the Treasury. By recent act of Congress these Federal Reserve Notes are no longer payable in gold at the United States Treasury, nor in gold anywhere at all.

At the present time, the Silver Certificate is the only paper currency that is redeemable in metal money, and it may be that it will not permanently continue so. The great demand is always for five dollar and ten-dollar bills, whether they are to be used for spending or hoarding.

363. Token Coins. For convenience in small transactions, our government has provided minor coins of silver, nickel and bronze: they are the silver half dollars, quarter dollars, and dimes; the five-cent pieces made of nickel; and the one-cent pieces made of copper or bronze. Since the face value of these minor coins is greater than their actual value, they cannot be offered in unlimited amounts for payment of debts. The half dollars, quarters, and dimes are legal tender up to the amount of ten dollars, and the minor coins only to the amount of twenty-five cents.

364. The Value of Gold. The universal desire for gold goes back for centuries, and it is practically world-wide. The greater part of the world believes in gold, wants gold, and measures all things else in gold. This desire for gold is more of a fetish than sound reasoning. During recent years there has been little use for gold other than for storing values to represent money. Many things which formerly were made of gold for personal adornment and other purposes are now made of several more desirable materials. Dentists still use a small amount of gold, comparatively speaking, and some industries use a small amount, but it is doubtful that the world would suffer much without gold. It is possible that the time may come when gold will have very little value. Any article has value only so long as people believe in it. People may quit believing in any particular thing at any time, and when they do, that thing becomes worthless. Neither gold certificates nor gold coins are legal tender in the United States, and they cannot be used legally as a medium of exchange. In fact, it is unlawful (at the time this book is being written) for a person to possess gold money.

365. **Good Money.** According to the best present-day economists, the essentials of good money are as follows:

1. Money must have value of its own that can be generally recognized and accepted. This means that its value cannot be wished into it by some ruler of the people.

2. Money must have a definite value so that it can serve as a standard. This means its value must be such that all men, at any time, can agree that a *unit* of it, say a dollar, has a purchasing power which can be measured exactly.

3. Money must have a steady value so that it can store up value and serve as a basis for future payments. When money has a value which varies little, we can make contracts in terms of money with reasonable assurance that no change in the nature of the money itself will cause us losses. Then we can save or make long-term investments.

4. Other less important requirements for good money are: It should be easily coined and convenient to handle; it should be divisible into small units without losing value; and it should be durable, that is, wear well. The standard material for money should be scarce as regards natural amounts and should change little in the quantity available from year to year. The material should be obtainable, but its production should be governed by prices and costs so that its value will always tend to vary with relation to other values.

366. **Interesting Points About Money.** Sometimes people wonder how the dollar sign originated. One explanation links it with old Spanish trading days. Prices were based on pesos, which was abbreviated to Ps. Gradually, it is said, we came to write the P on top of the S, but that sign was so hard to read that we rolled the loop off the P, which left the S. Finally we picked up another stroke and put it through the S, resulting in our present dollar sign, \$. Many persons who dream of getting a million dollars have little conception of what such a pile of money means. It is claimed that it would take a trained cashier many whole years to count a million silver dollars; and another claim is that a million silver dollars would fill

several bathtubs. Americans who find it hard to understand foreign money values will find it much easier if they do not think of the values in terms of American currency. In Great Britain, for instance, a farthing is one-quarter of a penny; twelve pennies make one shilling; five shillings make one crown; and four crowns (or twenty shillings) make one pound. A British penny usually equals about two American pennies. Other foreign countries have equally interesting and different denominations of their money and various distributions of values.

DISTANT TRANSFER OF MONEY—Unit 2

367. **Safe Methods of Sending Money.** Nearly every person finds it necessary occasionally to send money to a distant place in payment of bills, debts, or for merchandise. It is unfair to cause the receiver of the money any loss in order to obtain it. Of course, money may be sent safely in an envelope or package by registered mail, but the United States Government discourages this practice. Sending currency in ordinary mail is an invitation to theft; moreover, in case of accident during transportation, the currency may be lost or destroyed. There are several safe and inexpensive methods for transferring money, and one of them should always be used, especially when it is necessary to send money to strangers at distant points.

368. **Postal Money Orders.** The sender of money may avoid danger of its loss by applying at his local post office for a money order and mailing this order to the person whom he wishes to pay. If the money order is lost, it may be duplicated from the record at the post office where it was issued. No one can cash a money order except the person to whom it is ordered paid, or until he has indorsed it on the back showing that he has received the money. Any bank or almost any business firm will gladly accept a postal money order in payment

of a debt and will give out cash on it the same as if it were real money; however, it is absolutely necessary that the holder of a money order fully identify himself before expecting anyone to cash it.

369. Applying for Money Order. Printed application forms for money orders may usually be found on the writing desk in the lobby of any post office, or they may be secured from the clerk at one of the windows. This application must be filled out by the sender of the money and presented at the money order window together with the amount of cash mentioned in the application. The post-office clerk will write the order and the receipt. The money order may then be enclosed in a letter and mailed to the person whom it is intended to pay. The sender keeps the receipt in order to have something to prove that he has purchased the money order if later any dispute should arise. A money order will be paid to the person named in it, or to his indorsee or his agent, on due presentation of it at any time within one year. A money order drawn in favor of a person residing on a rural route may be paid through the carrier if it is entrusted to him for collection and accompanied by a written request addressed to the postmaster that payment be so made.

370. Cashing Postal Money Orders. The person who presents an order for payment must be identified if he is unknown to the postmaster. Possession of letters, receipted bills, a bank deposit book, or jewelry bearing the name of the owner is not conclusive evidence of identity; such things are sometimes stolen with the orders. Thieves even present photographs, cardcases, and printed business cards bearing fictitious names corresponding to those on forged orders, as a means of establishing identity.

More than one indorsement on a money order is prohibited by law. The stamp which banks ordinarily place upon orders left with them or sent to them for collection is not regarded as an indorsement.

It should be remembered that money sent to a distant place in payment of a debt must be free from any collection charges on the part of the payee. A postal money order, an express money order, or a bank draft may be cashed free from any collection costs.

EXPRESS MONEY ORDER
WHICH COUNTERSIGNED BY AGENT AT POINT OF ISSUE NO ADVICE REQUIRED

American Express Company
AGREES TO TRANSMIT AND

AA-7348079

on presentation to E. J. Fletcher or order 4 50 DOLLARS 0 CENTS

NOT TO BE CASHED FOR STRANGERS EXCEPT ON PERSONAL IDENTIFICATION. SEE NOTICE ON OTHER SIDE.

Sum of Forty 50 Dollars In United States, in other countries at current buying rate for Bankers Checks on New York

Counter signed Agent Issued at 65 B'WAY, N. Y. LOCAL State NY NAME OF REMITTER Howard A. Smith R. C. Caples TREASURER

Date April 15 1935 REMITTER'S ADDRESS 730 Park Ave.

ANY ERASURE, ALTERATION, DEFACEMENT OR IMITATION OF THIS ORDER RENDER IT VOID.

THIS ORDER IS GOOD FOR MORE THAN THE HIGHEST AMOUNT PRINTED IN THE MARGIN AT LEFT.

TH000 FEB. 1932 Printed in U.S.A.

AA-7348079
American Express Co.
MONEY ORDER
REMITTER'S RECEIPT

RECEIVED BY E. J. Fletcher

AMOUNT 4 50 DOLLARS 0 CENTS

DATE April 15 1935

BY R. C. Caples

IF THE ABOVE DESCRIBED MONEY ORDER IS LOST OR STOLEN, THE COMPANY WILL REFUSE TO OBLIGE THE PAID VALUE THEREON UPON PRESENTATION OF THIS RECEIPT AND EXECUTION OF THE COMPANY'S AGREEMENT FOR REFUND.

Express Money Orders may be carried around in one's pocketbook and spent the same as currency.

371. Express Money Orders. An express money order, which is similar to a postal money order, may be purchased at any express office, at many drug stores, and other places of business. No application blank is required to be filled out. A small fee is charged for an express money order, and the buyer is given a receipt, which he should keep until he is satisfied that the money has reached its destination. The receiver of an express money order may cash it at any bank, express office, or other place of business where he may be trading. Of course, identification of the holder is necessary.

372. Telegraph Money Orders. Travelers often find themselves running short of money, due perhaps to some unforeseen expense or emergency. In such cases it is well to know that money may be sent by telegraph. Even the traveler who may have been robbed of his last dime may step into any telegraph office or into almost any gas station and send a telegram collect. Motorists not wishing to wait for replies often send messages from one town requesting that money be sent to them in care of the telegraph company at another town ahead.

This service is available during all the open hours of telegraph offices day or night, Sundays and holidays. The rates are the same as those charged for a regular telegram of fifteen words plus a small money-order fee. A message may be included in a telegraph money order for a small additional charge.

Form 72 RT																		
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>NO.</td><td>9</td></tr> <tr><td>TIME FILED</td><td>10.37a</td></tr> <tr><td>RECEIVED BY</td><td>E</td></tr> <tr><td>SENT BY</td><td>E</td></tr> </table>	NO.	9	TIME FILED	10.37a	RECEIVED BY	E	SENT BY	E	WESTERN UNION MONEY ORDER	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>AMOUNT</td><td>\$25.00</td></tr> <tr><td>MONEY ORDER CHARGE</td><td>.25</td></tr> <tr><td>TELEGRAPH TOLLS</td><td>.53</td></tr> <tr><td>TOTAL</td><td>\$25.78</td></tr> </table>	AMOUNT	\$25.00	MONEY ORDER CHARGE	.25	TELEGRAPH TOLLS	.53	TOTAL	\$25.78
NO.	9																	
TIME FILED	10.37a																	
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SENT BY	E																	
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MONEY ORDER CHARGE	.25																	
TELEGRAPH TOLLS	.53																	
TOTAL	\$25.78																	
R. B. WHITE NEWCOMB CARLTON J. C. WILLEVER PRESIDENT CHAIRMAN OF THE BOARD FIRST VICE-PRESIDENT																		
Subject to the conditions below and on back hereof, which are hereby agreed to,																		
<u>Los Angeles, Calif., July 15</u> 19__ OFFICE DATE																		
PAY TO <u>John Doe</u> IF TO A WOMAN GIVE PREFIX MRS. OR MISS, IF PRACTICABLE																		
Street Address <u>3645 Grand Ave</u> GIVE HOUSE NUMBER AND STREET																		
Place <u>San Diego Calif</u>																		
Amount <u>Twenty-five</u> Dollars and <u>no</u> Cents (\$ <u>25.00</u>) (A message, to be delivered with the money, costs but a little more and saves a separate telegram. It may be written on the following lines)																		
Message to be delivered with the money: <u>Come back on next train</u>																		
Positive evidence of personal identity is NOT to be required from the Payee, and I authorize and direct the Telegraph Company to pay the sum named in this order at my risk to such person as its agent believes to be the above named Payee, UNLESS the following is signed. POSITIVE PERSONAL IDENTIFICATION REQUIRED I desire that the above named payee shall be required to produce positive evidence of personal identity before payment is made. Signature _____ Signature <u>Richard Roe</u> Sender's Address <u>1234 Wilshire Blvd</u> for Reference Sender's Telephone Number <u>Main 4321</u>																		
*Information for test question <u>Where does Roe live?</u> <u>Ans. Hollywood</u> for identifying payee.																		
IN CASE OF FOREIGN MONEY ORDERS: Pay United States Dollars ☐ Pay In Local Currency ☐																		

Money may be sent by telegraph, and the delivery made in a few minutes. Provision is made for the positive identification of the payee.

373. Bank Drafts. Practically every bank keeps some of its money on deposit with some other bank in New York, Chicago, or other large city. By so doing, a bank may draw a check on its depository, just as an individual draws a check on his bank. These banker's checks are referred to as bank drafts and are sold to people who wish to remit a check that will be accepted anywhere without question. For example, a

man wishing to send money to some member of his family on a vacation may buy a bank draft and know that there will not be any difficulty in cashing it when the payee is identified.

16-5	LOS ANGELES MAIN OFFICE	16-5	No 6001400
Bank of America			
NATIONAL TRUST & SAVINGS ASSOCIATION			
LOS ANGELES, CALIF.,			
PAY TO THE ORDER OF <i>John Doe</i>		<i>June 25</i> 19__	
		\$ 100. -	
- <i>One hundred and</i> $\frac{no}{100}$		DOLLARS	
TO			
CHASE NATIONAL BANK		} <i>Richard Roe</i> CASHIER	
1-74 NEW YORK CITY 1-74			
NEW YORK			

A bank draft like this may be used when a person wishes to send money out of town safely.

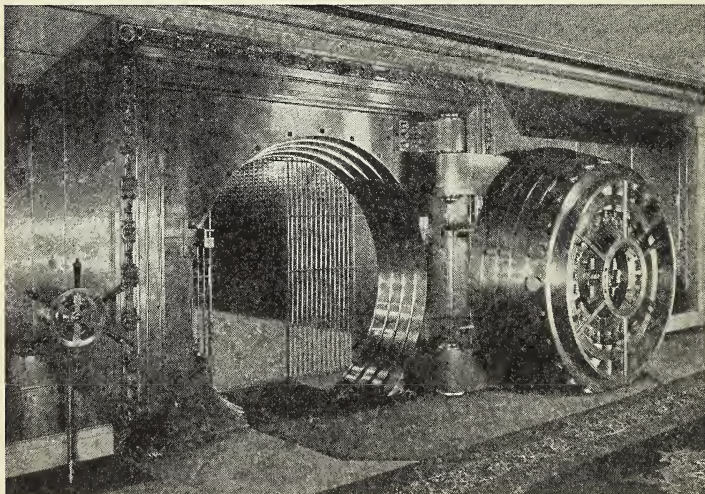
BANKING SERVICES—Unit 3

374. **Use of Money requires Many Services.** After standard forms of money were invented, it was found necessary to set up agencies for breaking the large denominations into smaller units of currency. In the early days men set up benches on the sidewalk for this purpose and made change for a small fee. It was not long until some persons wanted to leave money with these money-changers for safe-keeping, and others wanted to borrow money for a short time. The benches then were taken indoors, and a regular business was started which we now call banking. Soon after, men found that by writing the banks an order to pay another person money, it would save the writer from making a trip to the bank. The person receiving the order soon discovered that instead of his taking the money from the bank, it was safer to let it stay there until he actually needed it, when he could go and get all or part of it, just as he wished. The man or woman without business training, but with money in the bank, soon discovered that the banker could help in securing insurance and handling mortgages, as well as

render many other services needed in connection with money. Thus the business of banking grew until today it is one of the most important functions in our everyday life. A bank is a business organized for the purpose of serving the people and making at the same time a profit for itself by dealing in money and credit.

Although a bank is organized for profit, it does not create wealth; it is not an industry; it does not carry on production; it cannot of itself supply wealth to a community. The bank is a receptacle, a reservoir for the floating, liquid wealth of the community.

375. The Services Rendered by Banks. Banks can be useful only to the extent that their various services are known and understood by the general public. The beginning student of business needs to learn about the following services which



Courtesy Bank of America.

Your money is secure in the modern bank today. Safe-deposit vaults made of battleship steel are protected by a torch-resisting, burglarproof door weighing more than fifteen tons and controlled by three time locks and manual combinations. Persons wishing to keep money in a bank but not caring to open a checking account can get a certificate of deposit.

banks render. First, they provide a safe place in which to keep money; banks have fireproof and burglarproof vaults, and in addition carry insurance against any losses. There is no longer any danger of loss for the average person through the failure of a bank. The United States Government now insures the deposits of any person's money to the amount of \$5,000, if it is placed in a Federal Insured Bank. There is no reason now why one should hide his savings in an old shoe, the clock, or under the mattress—places where a burglar usually looks for valuables. No one can afford to have any large amount of money on his person or in his house. Today there is every danger of bandits and fires, while there is little danger of loss when one's money is in a bank that is listed with the Federal Deposit Insurance Corporation.

376. Four Departments in a Bank. The four main types of service rendered by banks are handling commercial or checking accounts, handling savings accounts, making loans and investments, and operating safe-deposit vaults. In addition to these services, a bank also collects debts in distant places or debts that persons in distant places send to it to be collected in its own city. Banks also look after estates left to minors and widows, furnish information on the credit standing of individuals or firms, supply valuable information concerning prospective investments, and give valuable advice to those wishing to enter a business venture. Much worth-while information and advice may be obtained from banks entirely free of charge. Very few other men in any community are in a better position to know or to find out the inside facts about any individual or a business in the community than is a banker. In the past, the banking field has had its scoundrels as has every other field, but today those who are engaged in banking are men who have proved their trustworthiness.

377. Opening a Checking Account in a Bank. It is a very simple and easy matter to open an account with a bank. The first requirement is that of identification, which means proving who you are. Banks refuse to deal with unidentified

strangers. If you desire to open a bank account, you should have no trouble in finding someone already having an account at the bank or knowing some employee in the bank who will be glad to introduce you there. After you are introduced, the banker will hand you a small card on which you will write the

<i>Corwin, Dave</i>			
The undersigned depositor agrees with Bank of America NATIONAL ENDOWMENT ASSOCIATION that this account is to be carried by said bank as a COMMERCIAL SAVINGS account and all funds which the undersigned depositor has or may have on deposit therein with said bank shall be governed by its By-Laws, all future amendments thereof, and all regulations passed or hereafter to be passed by its Board of Directors pursuant to said By-Laws relating thereto including interest, service charges, etc.			
Sign Here	<i>Dave Corwin</i>		
Address	<i>2006 Oak St.</i>	Telephone	<i>Nu. 2347</i>
Business or Occupation	<i>Clerk</i>	Birthplace	<i>Montae, Wis.</i>
Father's Name	<i>Will</i>	Mother's Maiden Name	<i>Marie</i>
Refer to Introduced by	<i>Ex. Owens</i>		
Opened by	<i>Davis</i>	Date	<i>Nov. 19 -</i>
Acct. Closed	Aver. Bal. \$	Reason	<i>Amount \$50.00</i>
TEL (2) 100-1-35—SIGNATURE CARD: INDIVIDUAL, OR INDIVIDUAL TRUSTEE			

A signature card must be prepared by the person opening a bank account. This card, kept on file at the bank, provides valuable information when it is needed.

information required by the bank. This card is referred to as a signature card (see illustration above). You will notice that this card requests all the information which the bank may need later.

After supplying the required information, you will then hand the card together with the money you wish to deposit to the banker, who will enter the amount in a small blank book, referred to as a passbook. This passbook is a receipt for your money, and you should take care not to lose it. When making another deposit, you should bring your passbook with you.

378. Making Future Deposits. Each time that you bring money to a bank for deposit you are expected to fill out a deposit slip giving your name, date, and the amount and form (silver or paper currency) of the money which you are

depositing. Deposit slips are to be found on the public writing desks in the lobby of the bank. After filling out the deposit slip, you then hand the money, deposit slip, and your passbook to the teller, who will enter the amount of the deposit in your passbook. In case you forget to bring your passbook, you may write out two deposit slips, one of which the teller will mark, "Duplicate," and return to you as your receipt. When you get home, you place this duplicate deposit slip in your passbook so that it may be entered by the teller the next time that you go to the bank.

379. Withdrawing Money From a Bank. When one wishes to withdraw any of his money from his checking account, he may do so either by going personally to the bank or by giving another person a written order on the bank for the amount to be withdrawn. In either case it is necessary to give the bank a written order so that it will have the necessary authority to pay the money. Such a written order is called a check. The person who writes a check is called the drawer, and the person named to receive the money is called the payee.

DEPOSITED WITH		
SECURITY FIRST NATIONAL BANK OF LOS ANGELES		
COMML. NO. _____	SAV. NO. _____	
<i>Mary Andrews</i>		
<i>Nov 16, 193-</i>		
CURRENCY _____	DOLLARS	CENTS
	25	00
COIN _____		
LIST EACH CHECK BY BANK NUMBER		
CHECKS _____		
2 _____		
3 _____		
4 _____		
5 _____		
6 _____		
7 _____		
8 _____		
9 _____		
10 _____		
FOR TELLER	TOTAL	25 00
2940*		

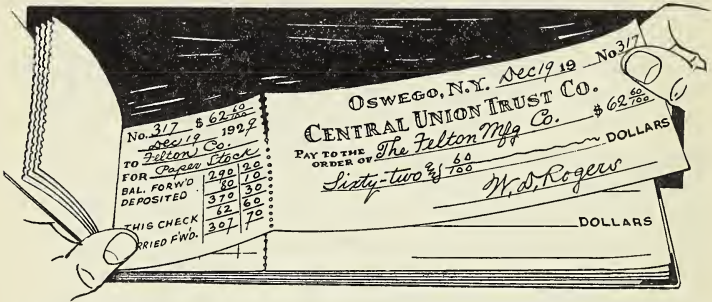
A deposit ticket showing a deposit of \$25 in cash. Deposit tickets should be prepared by the depositor.



Deposit slips and counter checks may be found on the public writing desk in any bank.

Strictly speaking, checks are not money, although they pass from one person to another in place of money.

380. The Check Stub. Most banks furnish customers with a book of blank checks. At the left end is a stub for making a record of the check drawn. It is vitally important that the



A checkbook showing stub and check properly prepared. The stub should always be completely filled in before writing the check.

stub be filled in completely *before* writing the check. Unless this is done, it may be forgotten; then the customer will not know how much money he has withdrawn, and how much he still has left in the bank. When making a deposit, it is also necessary to make a record of it on the check stub and add the new deposit to the previous balance.

381. Counter Checks. In the lobby of all banks is a writing desk on which may be found counter checks for the convenience of depositors who wish to withdraw part or all of their money. These counter checks are of no value to anyone except the depositor himself, and they cannot be used outside the bank. When using counter checks, one should make an immediate record on a slip of paper; then when he gets home he should enter this withdrawal on his checkbook stub. Unless this is done, there is danger of over-drawing his account.

382. Paying Bills Without Using Cash. By using a bank as a depository for one's money, it is possible to pay every bill

by the simple method of drawing a check on the bank. A check is nothing more than a written order directing the bank to pay a certain amount of your money to the person whom you specify. This check will come back to you at the end of the month with the person's name written on the back, thus proving that he has received the money which you ordered paid to him. In this way you have an excellent receipt. Since checks can be drawn for any amount, the person who uses bank checks always has the exact change. Money carried in the pocket or handbag is easily lost and very difficult to recover. By paying all bills with checks on the bank, one has a written record by which he can keep account of his monthly and yearly expenses.

383. Watch Your Signature. Early in life we should adopt a certain style of writing our signature and never deviate from that style. If we practice this, the bank with which we do business will seldom have any difficulty in deciding whether the signature of our name is genuine or imitated by someone else. It is reported that the annual loss from forgeries in the United States runs into hundreds of millions of dollars. One's signature is a most valuable possession, and it should be guarded as such. The most difficult signature to forge is the one that is the most legible. There are many ways in which signatures of those who have bank accounts are secured by wrongdoers, but one of the easiest methods is to gather from bank wastebaskets the discarded deposit slips which have been carelessly thrown there. When a bank deposit slip is spoiled after the name has been written thereon, it is wise to take it away and permanently destroy it. Another way of securing a person's signature is to get him to sign some harmless petition, of which



Make it a practice always to sign your name without any variation. A very legible signature is more difficult to forge than an illegible signature.

nothing is heard afterward until a check appears bearing an apparently good signature, causing trouble for many persons and sometimes loss to the victim. It is a good plan for a person never to sign any paper unless the solicitor is personally known to him or presents unquestionable credentials.

384. Forged and Raised Checks. According to law, a bank must bear the loss if it pays out a depositor's money without the depositor's written order, or if it pays out more money than the depositor has ordered paid. The bank is supposed to know the genuine signature of a depositor and to detect any forgery or raising of the amount of a check; however, if the depositor has carelessly written the check so as to make it easy to change and the alteration difficult to detect, then the courts usually decide in favor of the bank, and the depositor must bear the loss.

There are many machines on the market designed to print or cut into the paper the amount of the check in such a manner that it is difficult to change the maker's signature or to raise the amount of money specified. Salesmen for these machines often try to scare people into buying one of them by stating that it is a necessity. There is no need for using a machine of this kind if one takes the proper precautions in writing every check; in fact there is no machine which is an absolute safeguard against the changing of checks. When a check has been printed and shredded by a mechanical check-writer, the forger can insert a patch so skillfully that the alteration can hardly be detected with the aid of a microscope. In case a bank or corporation uses a safety paper which is sensitive to acid, and employs perforating machines to punch figures in the paper, the forger simply fills in the perforations with disks of paper from a punch of his own, makes new holes indicating a larger total, and then cashes the check.

385. Stopping Payment on Checks. According to law, a check is an order on a bank for money, subject to revocation by the drawer at any time before the order has been paid. The law gives the writer of a check the right to change his mind

and to order the bank not to pay the check when it is presented. Such an order is referred to as *stop payment*. Of course, if the check has already been presented and paid, such an order is useless. The bank is always under obligation to the depositor, not to the holder of a check. The holder of a check, in case he loses it, does not notify the bank to stop payment, but notifies the writer of the check and lets him notify the bank.

386. Precautions in Writing Checks. Nothing stamps a person as careless or ignorant more quickly than does a badly prepared bank check. After the stub is completely filled in,

SOUTH PASADENA, CALIF.		Nov 15 19	No. 17
FIRST NATIONAL BANK		90-1043	
Pay to the order of	Daily News		75¢
Seventy-five cents only		Dollars	
O. J. Lee			

Special care should be used in writing a check for less than one dollar.

write the date on the check, the name of the payee, the amount of the check in figures and also in words, and then your signature. Make absolutely sure that the figures are unmistakable and so close to the dollar sign that no one could squeeze in another figure without detection; leave no vacant space before or after the wording or the number of dollars. A wavy line may be used for filling up vacant space. A blank check with your signature should never be given to a person for him to fill in later, unless he is someone whom you are willing to trust. If one does have occasion to give a check under such conditions, he needs to know promptly the amount that is eventually filled in.

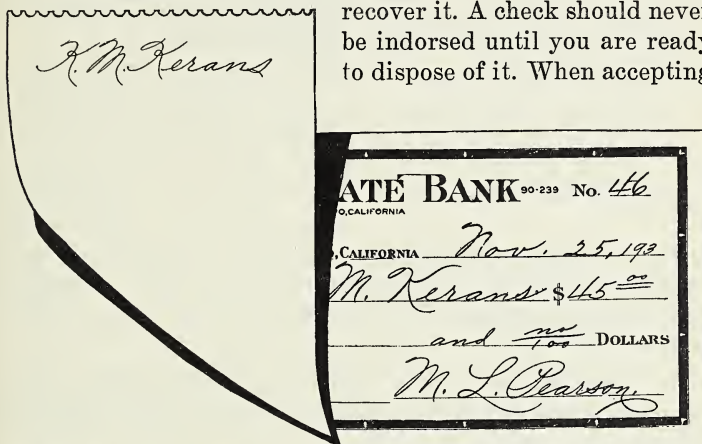
A most important step in preparing a check is to fill in the check stub completely. Without this data the writer of checks

has no control over his bank account, and he has no record of the persons whom he has paid. Filling in the stub first should be made a habit. The first thing to do with a new checkbook is to go right through it numbering each stub and check correspondingly. By numbering all at one time, there will be no danger of forgetting to put on the number when each check is written.

387. Joint Checking Account. A checking account may be opened jointly by two persons whereby either one may draw checks against the account. A joint account has the advantage of permitting either party, for example, a brother or a sister, a husband or a wife, to draw checks when absence or physical disability prevents one of the two from withdrawing money when it is badly needed. In case of the death of either party, the money may be secured by the survivor, and with the minimum amount of legal formality. The greatest objection to a joint account is that neither party can always know for sure how much remains in the account. When two persons are drawing on the same account, the danger of overdrawing is much greater than it is when only one person is using it.

388. Cashing or Depositing Checks. The person receiving a check may go to the bank and get the money for it, or he may deposit it to his own account or transfer it to some other person if he wishes. Whichever he decides to do, it will be necessary for him to write his name on the back of the check as evidence that he has received value therefor. The person to whom a check is made payable is called the payee. If the payee wishes to make the check good in the hands of someone else, he writes his name across the back of the check. The writing of one's name on the back of a check is called indorsement. For convenience of the bank, the indorsement should be written about one inch from the left, or perforated, end of the paper, as shown in illustration. The indorsing of the check transfers the title to it and holds the indorser liable to later holders in case the check proves worthless.

The law allows much the same protection to checks as it does to money, and if the finder of a lost check not properly indorsed disposes of it to an innocent holder, the loser cannot recover it. A check should never be indorsed until you are ready to dispose of it. When accepting



Checks should be indorsed on the back near the perforated end when having them cashed at the bank or when transferring them to another person.

a check from any person except the maker, one should always see that the check is indorsed.

In cashing a check at a bank where you are not acquainted, it will be necessary for you to identify yourself. One way of doing this is to have someone known at the bank appear personally with you and vouch for you. The bank may ask that your friend write his name on the back of the check. If it is not possible to bring someone to identify you, sometimes, in case the amount of the check is small, the bank may accept as identity your automobile driver's license, an insurance receipt, or any other papers which you may have with you. It is always risky for anyone to cash a check for a stranger.

389. Three Forms of Indorsement. There are three forms of indorsing a check:

1. "In Blank"—An indorsement in blank is the name of the payee or holder only; it is written across the back. It has

the same effect as making the paper payable to the bearer, and it may be transferred by any subsequent holder without further indorsement; but the indorsement of each holder is generally required by the bank for identification.

Pay to the order of

Charles Winfair

K. M. Kerans

payee, or holder. The person to whom it is transferred must indorse it before any succeeding holder can use it. All checks sent through the mail, or to be held for some time should be indorsed in full.

3. "For Deposit"—These words should be written above the name of the depositor on checks and other cash items to be deposited in the bank. This qualifies the indorsement and prevents the checks from being used except for deposit. If desired, a rubber stamp with words similar to the following may be used for this purpose:

For Deposit

to the account of

K. M. Kerans

Pay to the order of
Union Bank
For Deposit
K. M. Kerans

390. **Listing Checks.** When depositing checks in the bank, it is necessary for the depositor to prepare a deposit slip showing his name and the amount of each check, as well as the number of the bank on which the check is drawn. Every bank in the country has its own number, and this number saves the time and labor of writing the bank's name and address. It

requires but a moment for any banker to look in his register and get the name of any bank number when this is necessary.

391. Indorsing Checks for Friends. Sometimes we are asked to indorse a check for a friend and are given the impression that we are merely identifying the person. It should be remembered that when we place our signature anywhere on a check, we become responsible for its payment.

392. Checks Payable to Officials. Checks made out to officials, such as the treasurer of the county or of a lodge or a club, should specify the official position of the payee or the individual to whom the check is made, as follows: "W. O. Walsh, Tax Collector." If it were made out in the name of the individual only, and he appropriated it for his own personal use, one would have to prove that it was intended for the official and not for the individual. When paying a collector for a firm, it is always best to make out the check in the name of the firm.

DEPOSITED WITH		
SECURITY-FIRST NATIONAL BANK OF LOS ANGELES		
COMM. NO. _____	SAV. NO. _____	
<i>C. F. Winfair</i>		
<i>Nov. 16, 193-</i>		
CURRENCY _____	DOLLARS	CENTS
COTN		
LIST EACH CHECK BY BANK NUMBER		
CHECKS _____ <i>90-1043</i>	<i>27</i>	<i>60</i>
<i>2</i> _____ <i>90-265</i>	<i>35</i>	<i>00</i>
<i>3</i> _____ <i>90-1041</i>	<i>20</i>	<i>00</i>
<i>4</i> _____ <i>90-1043</i>	<i>15</i>	<i>50</i>
<i>5</i> _____		
<i>6</i> _____		
<i>7</i> _____		
<i>8</i> _____		
<i>9</i> _____		
<i>10</i> _____		
FOR TELLER	TOTAL	<i>98 10</i>

A deposit ticket showing the amounts of the several checks deposited and the identification number of the banks on which the checks are drawn. The numbers save writing the names of the banks and their locations on which the checks are drawn.

393. Altering Checks. If you make a mistake in writing your own private check, tear it up and write out a new one. If you make a mistake in writing a check for your employer, the check should be properly canceled and kept, but never destroyed. Auditors in verifying a firm's records always insist upon seeing every check that has been spoiled and not given out. When a check is once written, one should not attempt to alter it in any way.

394. **Deposit Checks Promptly.** Checks should be cashed or deposited just as soon as possible after they are received, whether you are in need of the money or not. The writer of the check expects you to do this. Should you carry a check around in your pocket for several days, weeks, or months, you may discover finally that it is no good, and you may have trouble in making the writer give you a good one. By holding a check beyond a reasonable time, you automatically relieve any other person who may have indorsed it, as well as the drawer himself, of all liability. If it is not convenient to call

①6	SOUTH PASADENA, CALIFORNIA	19	No. 17
SOUTH PASADENA BRANCH SECURITY-FIRST NATIONAL BANK OF LOS ANGELES FAIR OAKS & MISSION			
PAY TO THE ORDER OF		90-265 12	
		Dave Warner \$ 6 ⁰⁰ / ₁₀₀	
		Six DOLLARS	
		O. R. Howe	

What is wrong with this check?

at the bank, you may mail your checks to the bank for deposit. The holder of a check has no right to alter the date or anything else on another person's check.

Checks may become out of date sixty or ninety days after they are drawn, and the banks may refuse to accept them; they are always very dubious about checks that have a very old date on them. Such checks should be returned to the writer and new ones secured.

395. **Out-of-Town Checks.** If you receive a check bearing the printed words, "Payable through the New York Clearing House," or, "Payable through the Chicago Clearing House," you should not have to pay any fee for the collection of such

checks. When you send your personal check away from your home town, add at least ten cents to the amount of the check to cover the collection charges made by the bank for collecting it.

396. Why Checks Are Sometimes Returned Unpaid. As a rule, checks are paid when presented in proper form, but there are many common irregularities for which payment must be refused; for instance, payment will be refused for the following reasons: if the check is postdated; if the amount for which it is drawn differs in the figures and in the written amount; if the drawer has stopped payment on the check; or if it has been altered in any way. The most common reason, however, for returning checks unpaid is that there are insufficient funds in the depositor's account to cover the amount of the check.

The experience of banks shows that the percentage of depositors who write checks against insufficient funds is not large, but that the frequency of the occurrence is due to the fact that it comes to be a matter of habit with some persons.

Banks are not permitted by law to honor checks which overdraw the amount on deposit in an account. The depositor should not expect a bank to do so even if it is only for a day or two. If a bank should let a depositor overdraw his account, it would be the same as letting the depositor borrow the funds of the other depositors without giving any security or paying anything for the use of the other people's money. When a check appears at the bank calling for more money than the depositor has in his account, the check is at once marked, "N. S. F." (not sufficient funds), and payment is refused. An overdraft makes a customer's account undesirable to a bank more quickly than anything else, even if such overdraft is unintentional. Imagine how you would feel if someone ordered you to pay out money when you were under no obligation to do so.

It is unlawful and punishable by fine and imprisonment for any person to write a check on a bank where he has no account.

397. Postdated Checks. Dating a check in advance of the date on which it is written is referred to as postdating. This is sometimes done when a depositor does not have sufficient funds at the time the check is written, but expects to have the necessary funds on the postdate. Since no one is sure of anything in the future, the postdating of checks is bad practice, and banks do not look favorably upon customers who do it.

SECURITY-FIRST NATIONAL BANK OF LOS ANGELES		
CUSTOMER'S STATEMENT		
CHECKS	CHECKS	OLD BALANCE
1 4.00 *		311.38*
2 28.75		
3 7.38		
4 7.40		
5 13.00		30.47
6 6.05		25.00
7 4.00		50.00
8 50.00		
9 5.27		
10 20.00		
11 4.00		
12 30.00		
13		
14 179.65 s		
15		
16		
NEW BALANCE (DATE) 11-30-35	237.00	
PROOF TOTALS	416.85	416.85
LISTED BY <u>EW</u>		
PLEASE INFORM US IMMEDIATELY OF CHANGE OF ADDRESS. IF NO ERROR IS REPORTED WITHIN TEN DAYS, THIS ACCOUNT AND VOUCHERS WILL BE CONSIDERED CORRECT. PERFORATIONS ON CHECKS INDICATE DATES OF PAYMENTS. YOUR BANK BOOK MAY BE REFERRED TO FOR DATES OF DEPOSITS.		

Banks provide statements like this for their customers at the end of each month. The depositor should immediately compare the bank statement with his check-stub records and see that they agree.

day of the month. This statement together with the canceled checks is returned to the depositor when he calls at the bank, or it may be sent by mail if the depositor so orders. The depositor should immediately verify the bank's statement with his own check stubs or other records which he has kept. If the bank's statement differs from his own, and he is unable to make it agree, he should take the statement and his own records to the bank and ask the bank to help him find the error.

From the receiver's standpoint, however, a postdated check is preferable to no evidence of a debt. Banks will not pay a check before the date written on it.

398. Monthly Statement to Depositors. At the end of each month, the bank makes up a statement for each depositor, on which statement is shown the amounts of the various deposits and the dates thereof during the month, the amount of each check issued, and the balance remaining in the bank on the last

When the statement and records agree, the canceled checks may be filed in a safe place for future reference. Canceled checks should be kept for at least a year before being destroyed. Some people keep them for several years. These checks are sometimes needed when disputes arise over unpaid claims. A canceled check provides a good receipt for the payment of a debt.

399. Examine Statements Promptly. One of the conditions imposed upon a depositor at the time he opens an account is that he will examine his statement upon delivery by mail, or otherwise, and within ten days report in writing any errors, omissions, or irregularities. Depositors must agree to call for a statement at least once during the quarterly periods ending in March, June, September, and December of each year; in the event of the depositor's failing to call for his statement, he admits that the account is correct.

400. Proving the Bank Statement. When the monthly statement together with the canceled checks is received from the bank, the depositor should see that the statement agrees with his own records. This is called "reconciling" the bank statement. The first thing to do is to take the canceled checks and compare them with the amounts listed on the statement. Then arrange them in numerical order, the lowest numbered check being face up on top. Now turn to the stubs of your check book, beginning with the first stub filled out since the last proving. These stubs are supposed to be numbered to correspond with your checks. If the amounts agree and the check has been indorsed by the payee, turn the check down on its face and examine the next one. When all the checks have been compared with the stubs, you now list on the back of the last stub those checks which have been issued but have not been returned. The amount of these checks should then be deducted from the balance shown on the bank statement.

401. Why Statement May Disagree. The differences that may exist between the bank's statement and the depositor's

check stub may be the following: first, checks drawn by the depositor may not have reached the bank by the time the statement was prepared; second, deposits entered on the check stub may not have reached the bank in time to be included on the statement, or the bank may have credited the deposit to some other account; third, some collection charge or other expense may have been deducted by the bank without its having been deducted by the depositor on his check stub; fourth, errors in addition or subtraction may have been made on your check stub showing your balance to be more or less than it should be. If, after taking these things into consideration, you are still unable to make the bank statement agree with your records, get your bank to help you.

SAVINGS DEPARTMENT—Unit 4

402. **Savings Accounts.** Many persons deposit their savings in a bank for safekeeping. They do not wish to draw checks against the account. When depositing money in a savings account, the procedure is much the same as when depositing it in a checking account, except that the passbook is handled differently. Savings can be withdrawn only by the depositor's presenting his passbook at the bank. He is then given a receipt to sign, and the banker enters the amount of the withdrawal in the passbook as well as the new balance showing how much money still remains in the account. Savings may be sent to the bank by mail. Such deposits will be entered in the depositor's passbook later, but no withdrawal can be made without the passbook. The loss of a passbook is a serious matter, usually causing considerable trouble and annoyance. Savings draw a small rate of interest compounded twice a year. If desired, a savings account may be changed to a checking account, and vice versa, without withdrawing the money.

Many persons think that a bank makes plenty of money by keeping their savings for them. The facts are that many savings accounts are a loss to a bank. A savings account with an average collected balance of \$100 will earn about thirty cents a month for the bank. Each transaction affecting the account—a deposit or withdrawal during the month, costs the bank several cents; consequently, if there are many transactions during a month, the bank will lose money in handling the account even if no interest is paid. If interest is paid, then the bank's loss is that much more.

IN ACCT. WITH		CHARLES WINFAIR		No. 1234			
		650 SOUTH SPRING ST., MIDDLETOWN					
	DATE	WITHDRAWAL	INTEREST	DEPOSIT	BALANCE	BRANCH	
1	8-27-	7.00		10.00	10.00		
2	10--1-				3.00		
3	10-16-				5.00	8.00	
4	11--7-				8.00	16.00	
5	11-15-				14.00	30.00	
6	11-22-	17.00			12.00	42.00	
7	12-19-				15.00	57.00	
8	12-31-					57.03	
9	2--2-					40.03	
10	3--5-					25.00	65.03
11	3-20-				24.97	90.00	
12	3-21-				10.00	100.00	
13							
14							
15							

A passbook for a savings account. This customer's account is profitable to the bank because of the few withdrawals.

403. Banking by Mail. Persons who live in isolated places where there are no banks, or who are not satisfied with the service offered by their local bank, may do their banking business by mail.

To open a savings account, simply write a letter asking that an account be opened in your name. Your first deposit should be enclosed with the letter. The amount deposited should be one dollar or more. You may send the dollar in the form of a

postal money order, or you may send cash by registered mail, the government guaranteeing safe delivery. Amounts larger than fifty dollars in cash should be sent by express. When the bank receives your money, it will mail you a passbook with a signature card to be filled out by you. In making future deposits, it is not necessary to send in your passbook; however, passbooks should be sent in at least once every six months for comparison with the bank records.

After a deposit you are in a position to withdraw money when you have filled out the signature card and returned it to the bank. To withdraw money, all you have to do is to write a letter specifying the amount of money you wish to withdraw, being sure to sign your name in the same way as it appears on the signature card. Your passbook must be sent in each time that you withdraw money. Remittances will be mailed to you in the form of drafts which you can cash or carry as you would currency.

If you wish to have a checking account by mail, your first deposit must be at least \$100, and the account should not be allowed to fall below that figure unless you are willing to pay for service charges.

404. Personal Loans at a Bank. Until recently banks would lend money only to individuals or businesses able to furnish the bank with some form of actual security. Such security usually had to be in the form of stocks, bonds, warehouse receipts, or other valuable papers which the bank could convert into money in case the loan was not repaid. Persons who were working for wages or salary did not have anything to offer as security; hence they were not eligible for a bank loan. Such persons needing money in an emergency were often compelled to patronize the private loan sharks who charged an enormously high rate of interest, so high in fact, that the borrower seldom was able to pay anything on the loan itself after he had paid the interest due on it. This kept the borrower forever in debt to the loan shark. Many borrowers of only one hundred dollars paid the loan sharks several times

this amount over a period of years without ever getting the original loan paid off. Finally the large banks decided that they would enter this small loan field and supply persons who were honest, but unable to furnish collateral security, with funds to tide them over emergency periods. Instead of paying the loan sharks from forty to one hundred per cent, or more, for a short-time loan, it is possible now for working people to get a loan from a reliable bank for as little as seven dollars a year on each one hundred dollars borrowed. These personal bank loans, however, must be for actual necessities and not for comforts and luxuries. Considered as actual necessities are: payment of taxes or insurance premiums; accumulated debts which are pressing; repairing, improving, or furnishing a home; paying hospital, medical, or dental bills; or aiding in bettering one's education or vocation.

405. How Personal Loans Are Obtained. If you receive a regular salary or income, have lived in your community for at least one year, and have two friends who will vouch for you, you may then borrow money from a bank. Any regularly employed man or woman of good character may apply for a loan and be assured of courteous service.

Although credit is extended primarily upon character and income sufficient to repay, two comakers are required to sign with you, thus guaranteeing the loan. They may be business associates, relatives, or employers. They must have been residents of your community for at least two years. A discount of \$7 on \$100 borrowed, which most banks now charge, covers investigation costs and interest on the loan for one year. This cost is somewhat reduced by a savings feature by which a savings account is opened in your name, and payments are credited to you as deposits toward repayment of the loan. If payments are made promptly, your funds earn interest. Personal loans range from \$100 to \$1,000, in multiples of \$50. Repayment is made within one year, through instalments weekly, fortnightly, or monthly. When the loan is fully repaid, the note is returned to you. Should the borrower die

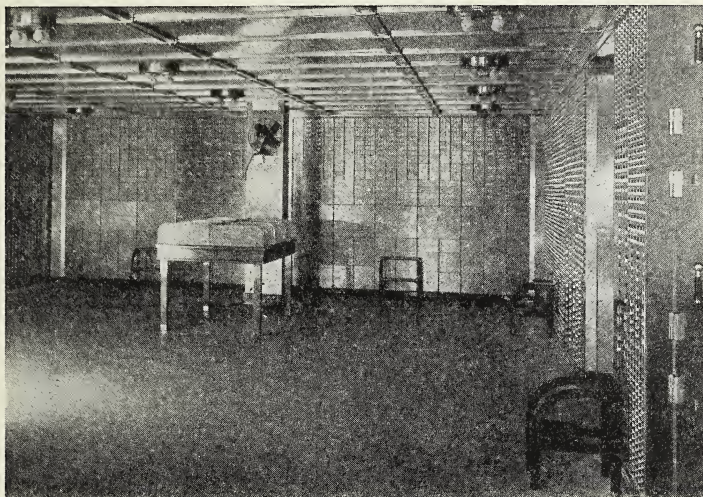
during the one-year term of the loan, through an insurance feature the unpaid balance is canceled by the bank, relieving the comakers and the borrower's family of further responsibility. One is under no obligation to continue the loan for the full twelve months. The entire loan may be paid up at any time, thus reducing the interest charge.

406. Chronic Borrowers Not Wanted. Personal loans are for emergency purposes only. Persons who try to live continually on borrowed money will not meet with kindly reception at any bank. Before a bank will allow a person to make formal application for a personal loan, the following questions may be asked:

1. Is the loan for constructive and not speculative purposes?
2. Is there ample margin between the applicant's established income and expenses? (Banks prefer no loan to exceed fifteen per cent of the annual income and seldom, if ever, twenty per cent.)
3. Has the applicant been regularly and steadily employed by present firm for past year or more?
4. What was the cause for the applicant's getting behind in paying his debts? Has the cause ceased? Is the cause now removed?
5. Does applicant or comaker have loans elsewhere?
6. Is each comaker financially capable by himself of caring for the loan, should he be called upon to do so in an emergency?

407. Safety Deposit Boxes. Banks have large fireproof and burglarproof vaults containing many small compartments which are rented to customers for storing valuable papers, such as legal documents, insurance policies, wills, and other important papers not safe in the average home. These boxes may be rented for as little as three dollars a year. Many banks are equipped to care for silverware, expensive paintings, oriental rugs, or works of art. People generally use such

service when they are absent from home for any length of time. This convenience may prove worth many times the little amount it costs.



Courtesy Bank of America.

Interior of safe-deposit vaults in a bank. This room contains 7,500 individual safe-deposit boxes for rent to customers of the bank. The walls of the room are lined with small boxes made of steel, each box having two locks. The locks require a key belonging to the bank and the renter's key to be used at the same time in unlocking a box.

OTHER SERVICES AND FUNCTIONS—Unit 5

408. **Certificates of Deposit.** There are times when an individual or a business firm comes into possession of a sum of money which needs to be kept in a safe place for a short time. It may not be desirable to deposit such funds with other funds in a checking account. In such cases a certificate of deposit may be obtained at any bank. The certificate of deposit is a receipt given by the bank for the money left with it for safe-keeping. Such certificates may draw a small rate of interest only when so stated on the face of the certificate. Certificates may be payable on demand or in a certain number of days, but

in any case the bank reserves the right to be notified thirty days before the holder of a certificate of deposit intends to withdraw his money.

Los Angeles Main Office BRANCH

**TIME
CERTIFICATE
OF DEPOSIT**

Bank of America
NATIONAL TRUST & SAVINGS ASSOCIATION

No. 10627

June 25 19__ \$ 200.-

John Doe HAS DEPOSITED IN THIS BANK NOT SUBJECT TO CHECK

Two hundred and no DOLLARS

PAYABLE TO THE ORDER OF *Himself* IN CURRENT FUNDS

ONLY UPON THE EXPIRATION OF AT LEAST THIRTY (30) DAYS AFTER NOTICE IN WRITING OF INTENDED WITHDRAWAL SHALL HAVE BEEN GIVEN TO THE BANK AND UPON SURRENDER OF THIS CERTIFICATE PROPERLY ENDORSED, WITH INTEREST AS HEREIN PROVIDED.

This certificate bears interest at the rate of 2 1/2 per cent per annum payable only for completed periods of 6 months. Interest will cease upon expiration of notice of withdrawal and in any event one year from date. The rate of interest payable hereunder is subject to change by the bank to such extent as may be necessary to comply with requirements of the Federal Reserve Board made from time to time pursuant to the Federal Reserve Act.

Richard Roe
ASSISTANT CASHIER

A Certificate of Deposit. These certificates are issued to persons who wish to leave money in the bank for safekeeping. Thirty days' notice before withdrawal of the money may be required by the bank.

409. **Cashier's Checks.** Banks usually pay their own expenses, such as salaries, rent, etc., with a check signed by the bank's cashier. Like bank drafts, a cashier's check may be obtained by individuals who wish to send money by mail. Such checks are safe and acceptable anywhere without question. Business men who would hesitate to cash an individual's personal check will readily cash a bank draft or a cashier's check.

16-5 LOS ANGELES MAIN OFFICE 16-5

Bank of America
NATIONAL TRUST & SAVINGS ASSOCIATION
LOS ANGELES, CALIF.

No. 6009100

June 25 19__ \$ 100.-

PAY TO THE ORDER OF *John Doe*

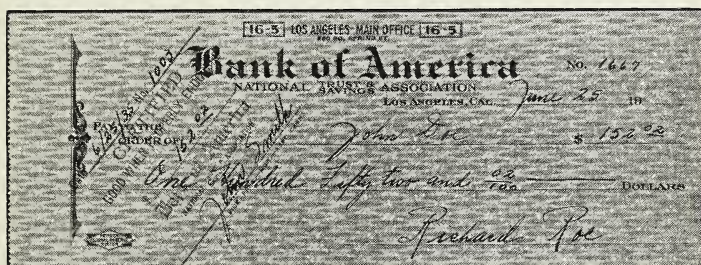
One hundred and no DOLLARS

CASHIER'S CHECK

Richard Roe
ASST. CASHIER

Specimen of a Cashier's Check.

410. **Certified Checks.** The writer of a check who wishes to assure the payee that the check will be paid by the bank when presented may do so by having his banker stamp the word *Certified* across the face of the check. Upon doing this, the bank immediately takes the amount of the check from the depositor's account and becomes liable for its payment. Thus a certified check becomes as good as a bank draft or cashier's check. A depositor who has one of his checks certified at the bank and later decides not to use it should not destroy it but



Specimen of a check that has been certified. A certified check may be safer than a Cashier's Check or a Bank Draft.

should deposit it to his account the same as he would any other person's check. Certified checks are much used by contractors when bidding on construction work. In order to get a contract, it is necessary sometimes for a person to put up a certain amount of money as a guarantee that the contract will be carried out if it is awarded to him. A certified check may be used for this purpose. After the award is made, those who did not win have their certified checks returned to them. Banks will not certify a check for anyone except the maker.

411. **Banks Charge for Most Services.** For many years banks received deposits and honored checks drawn on deposits without making any charge to the customer for this service. It was assumed that the bank would earn enough money by lending the depositor's funds at interest to offset the expense involved in handling the accounts. Recently banks made a

careful study of depositors' accounts and discovered that many of them were being carried at a loss to the bank; consequently many banks now make a service charge for handling a depositor's account, the amount of such charge depending upon the activity of the account. A depositor who makes but one large deposit each month and draws but very few checks causes little, if any, loss to the bank; but a depositor who makes a number of small deposits during the month and draws a great many checks causes the bank considerable expense, and he must pay the cost of handling these items. By analyzing each account, the bank is able to determine just how much service charge each depositor should pay. The minimum charge is usually one dollar a month.

412. The Measured Service Charge. The cost of handling the smaller checking accounts, which form a considerable part of the business of the small bank, is by the measured service charge—that is, measuring the service to each small depositor by the number of checks he draws, and allowing him to draw a given number of checks per \$100 of balance. For example, an account with an average collected balance of \$100 would produce income of about 30 cents a month. The cost of handling a depositor's check has been figured to be 4.4 cents, or, to take the nearest round figure, 5 cents. Thus it is possible to allow a \$100 account to draw no more than six checks a month if costs are not to exceed earnings. It is possible to allow one additional check for each \$15 of balance over \$100.

Checks on other banks in the same town cost $1\frac{1}{2}$ cents each to handle; out-of-town checks cost $2\frac{1}{2}$ cents each. Deposits cost $4\frac{1}{2}$ cents.

413. How Banks Earn Profits. Many people do not understand the manner in which a bank earns profit. Reduced to its simplest form, it is as follows: You place \$100 on deposit. A portion of this money the bank lends at interest. Out of the income the bank pays its rent, taxes, and office and other expenses, and, if it is fortunate, has a balance as profit. It is easy to understand that when a customer deposits a small

amount and withdraws most of it between pay days, there is no chance for the bank to earn anything on the account. Out of an average of \$100 placed on deposit, banks have found in actual experience that 15 per cent must be kept as reserve and not put on interest. This leaves 85 per cent to be loaned; but only a part of this can be loaned for long periods on securities that yield a high return, such as 6 per cent or 7 per cent. If some of the checks which a depositor deposits are drawn on a far-distant city, it may require several days before returns are made, and during this time the depositor has the use of the money, but the bank has not. Since the bank cannot lend funds which it does not have, there is no profit to be made on these floating checks. Other bank services, such as renting safety-deposit boxes, selling exchanges, etc., earn some profit, but the bulk of a bank's profit must come from the money which it lends.

414. How Banks Promote Progress. Not many years ago the average person seldom went into a bank, and the one who did go came in contact with only the clerk or clerks. The average person felt that the banker himself was too important a person to stoop to meet a common man. Business men looked upon a banker as a man who seemed to have but the one word, "No," in his vocabulary. But those days are gone. No longer are the officers in a bank hidden away behind closed doors to be reached only with the utmost difficulty. They sit plainly visible at the counters in open lobbies, immediately accessible to anyone who desires to talk with them. Since the bank, especially if it is in a small town, is a clearing house or medium through which most of the community's income is received and its expenditures made, the banker has the advantage of being in intimate contact with the whole economic scheme of things. He knows that people are largely dependent upon one another, and that one who has money to lend cannot profit thereby unless someone else can use that money in actual production, whether it be by the production of a crop, a house, or manufactured goods. Since the bank is the logical

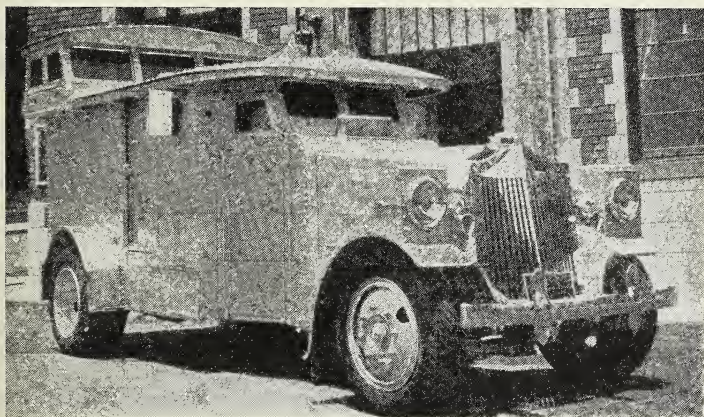
place for idle funds, the lender goes there to deposit, and for the same reason the borrower goes there to borrow. In this way, the lender and the borrower get together. The banker sees to it, through discretion in his loans, that funds find productive employment, reacting to the benefit of the borrower, the lender, himself, and the community as a whole.

415. Put Idle Money in Bank. The idle dollar is the one hidden away in a mattress or in a tin box under the floor. The dollar thus hidden should be out working. If it is deposited in a bank, the bank can lend part of it to someone who will spend it wisely and productively. The owner of this dollar can get it back when he needs it with an accumulation of its wages in the form of interest. This idle dollar can be used by the home builder to pay the contractor; by the contractor to pay the lumber company; by the lumber company to pay the woodsman; by the woodsman to buy bread; by the baker to pay the miller; by the miller to pay the farmer; by the farmer to buy a new plow; by the plow maker to pay the steel mill owners; by the steel mill owners to pay the mining company; by the mining company to pay the miner. Thus it may be seen that when we take dollars out of hiding places at home and put them in a bank, we are helping to provide work for people, and at the same time, we are making our dollars earn for us in the form of interest.

416. Patronize Suburban Banks. It is usually best to have an account with your neighborhood bank instead of having it with a large downtown bank. The smaller bank will be more anxious to have your account, and it may be able and willing to show you more courtesies than the larger institutions will. Any branch of a large bank is as safe as the main bank.

417. The Social Value of Banks. About twenty-five cents of the dollar you deposit will be used for financing a home, paying for lumber, plaster, cement, hardware, plumbing, electrical supplies, glass, and for workers, such as carpenters, masons, plasterers, plumbers and electricians. About thirty

cents of your dollar will be invested in bonds enabling cities and states to build highways, bridges, and schools, or public utility companies to build power plants, gas tanks, water works, and telephone and telegraph systems. About eight cents of your dollar will be invested in United States Government Bonds enabling the government to build federal buildings, flood controls, and navigation aids. About ten cents of your dollar will be loaned out to business men to finance current business operations, such as buying raw materials, paying employees, and paying shipping costs. About twenty cents of your dollar is loaned to responsible persons to buy securities which are used in the building of schools and factories. All of these parts of your dollar, which the bank has put to work, amount to ninety-three cents. The remaining seven cents of your dollar is held in the bank's vaults as a reserve, because experience shows that for every one hundred persons who deposit a dollar, seven persons will draw out a dollar.



Courtesy Bank of America.

Armored car of branch banking system. This car is used to distribute cash and securities between the bank's headquarters and its various branches. Protected by battleship steel and bulletproof glass, the car carries three to five guards armed with high-powered rifles.

Questions on the Text

Sec. 354. What is money? With what do we measure length? capacity? value? In what sense does money serve as a common denominator? How can we compare the value of different articles? What fixes the value of an article? What is the usual definition of money?

Sec. 355. What is meant by barter? What articles did our forefathers use as measuring sticks for values? Why wasn't their use continued? What is meant by a medium of exchange? What requirements are necessary for a medium of exchange between people of different nations? Why is gold a good medium of exchange? What is the next best metal for use in exchange?

Sec. 356. Why shouldn't every person be allowed to make or print his own money? What is legal-tender money? If a creditor refuses to accept legal-tender money, what happens to the debt? What would happen to its value if gold became as plentiful as iron? Why is silver less valuable than gold?

Sec. 357. What is fiat money? What does the word fiat mean? Does the government promise to exchange gold or silver for fiat money?

Sec. 358. Why does a government make paper money? What happens to its value if its quantity is not limited? What gives paper money its value? What effect did the law of June 5, 1933, have upon paper money that was redeemable in gold? Name the kinds of paper money now issued in this country.

Sec. 359. What is the wording on a silver certificate? Whose portrait does it carry?

Sec. 360. What is the wording on a greenback? How much is it worth? Whose portrait does it carry?

Sec. 361. What is the wording on national bank currency? In what denominations are they made?

Sec. 362. In what denominations are federal reserve notes found? Are they redeemable in gold? What paper money is redeemable in metal money?

Sec. 363. What is the purpose of token coins? Name our token coins. In what amounts may they be offered as legal tender?

Sec. 364. How old and widespread is the desire for gold? In what sense is gold not particularly valuable? When does an article stop having value?

Sec. 365. Name four or more essentials of good money. Explain what is meant by each essential.

Sec. 366. Give one explanation of how our dollar sign originated. Give two illustrations that give one a general idea of how much a million dollars is. What are the denominations of British money? A British penny equals how many American pennies?

Sec. 367. How can money be sent safely in an envelope or package? Does the government encourage this practice? Why shouldn't one send currency in the ordinary mail?

Sec. 368. What is the purpose and advantage of a money order? What should one do if he loses a money order? Under what circumstances may one cash a money order? Who will accept money orders?

Sec. 369. Explain exactly how one may buy a money order. What should one do with the money-order receipt? How long may one wait before cashing a money order? How may a person living on a rural route cash a money order?

Sec. 370. How can a postmaster tell whether the person presenting a money order for payment is the true owner? Explain what a thief sometimes does in an effort to prove that he owns a money order. How many indorsements are allowed on money orders? Do bank indorsements count? Is there a collection charge for cashing postal money orders, express money orders, and bank drafts?

Sec. 371. What is an express money order? Explain how one may be bought. Where and how may one be cashed?

Sec. 372. Explain under what circumstances a traveler might wish to have money sent by telegraph. During what hours is such a service available? What does it cost?

Sec. 373. Why do most banks keep part of their money in other banks located in large cities? What are bank drafts? Why do people buy them?

Sec. 374. Tell about the early history of banks. How do banks make it possible for people to pay their bills without carrying much money around with them? Can a bank coin or print money? Can it create wealth for a community?

Sec. 375. Where do banks put people's money for safekeeping? What does the United States Government do to make people's bank deposits safe? Explain why it is safer to keep money in a bank than to hide it in one's home.

Sec. 376. Name the four main types of service rendered by banks. Name five other services that banks perform.

Sec. 377. Name the steps necessary for opening a checking account in a bank. Explain what is meant by identification. How can one identify himself when he wishes to open a checking account. Describe and state the purpose of a signature card. Describe and tell the purpose of a passbook. What should you do if you lose your passbook?

Sec. 378. Explain how to make out a deposit slip. What is the next step in making a deposit? What should you do if you forget to take your passbook to the bank when making a deposit?

Sec. 379. What two ways are there of drawing money from a checking account? What is a bank check? What is the writer of a check called? What is the person called in whose favor a check is written?

Sec. 380. What is the purpose of a check stub? Why should the check stub be filled out *before* writing the check? Name all the items that should be written on the check stub.

Sec. 381. What is a counter check, and for what is it used? When, where, and how should the writer of a counter check make a record of it on his own checkbook stub?

Sec. 382. Name four advantages of paying bills by check.

Sec. 383. Why should one adopt a certain style of writing his name, and then not change it? About what is the annual loss from forgery in the United States? Is a well-written or a poorly-written signature the more difficult to forge? Name two ways that thieves use to secure other people's signatures. How can one lessen the chances of the theft of his signature?

Sec. 384. Must the bank or the depositor bear the loss if the bank pays out money on a forged or a raised check? What exception is

there to this rule? What advantage is claimed for check-writing machines? How do forgers raise checks that have been written on these machines?

Sec. 385. What is meant by *stop payment* on a check? May a stop payment be issued after a check has been paid by the bank upon which it is written? Who may stop payment on a check? May anyone else stop payment?

Sec. 386. Describe the proper method of writing a check. What precautions should one take in writing a check to keep it from being raised? To whom might one give a signed blank check? What should one do as soon as possible after giving someone a signed blank check? Explain why one should fill in the check stub *before* filling in the check. What is the first thing one should do upon receiving a new checkbook? Why?

Sec. 387. What is a *joint* checking account? What are two advantages of a joint checking account? What are two objections to a joint checking account?

Sec. 388. What does it mean to *indorse* a check? When is it necessary to indorse a check? Just where should the indorsement on a check be written? What responsibility does one assume when he indorses a check? Why shouldn't one indorse a check until he is ready to dispose of it? In what two ways may a person identify himself when he wishes to cash a check at a bank?

Sec. 389. Describe each of the following forms of indorsement and tell when each should be used: "In blank"; "in full"; "for deposit."

Sec. 390. Explain the proper way to list checks on a deposit slip.

Sec. 391. What responsibility do we assume when we indorse a check for a friend?

Sec. 392. In making out a check to an official or the collector for a firm, how should the name of the payee be written?

Sec. 393. If one spoils a check when writing it, what should he do if it is his own check? What should he do if he is writing it for an employer?

Sec. 394. How soon after checks are received should they be cashed or deposited? If checks are held beyond a reasonable length of time, what effect does it have upon the liability of the indorsers

and the maker? What changes, if any, may the holder of a check make in another person's check? How old must a check be before a bank will refuse to cash it? What should the holder of an old check do if the bank refuses to cash it?

Sec. 395. Why should you add a collection charge to your check if you send it to someone in another city?

Sec. 396. Give five reasons why a bank might refuse to cash a check. Why shouldn't a bank cash a check for a depositor who does not have enough money in the bank to cover the check? What is meant by overdrawing one's account? What is the penalty for drawing a check on a bank in which one has no account?

Sec. 397. What is meant by a postdated check? When do depositors postdate checks? Why isn't it a good practice? Why would a creditor rather have a postdated check than none at all?

Sec. 398. What five things are shown on a bank statement? How does a depositor get a statement of his account and the canceled checks that the bank has paid for him? What should a depositor do as soon as he receives his statement and canceled checks? What should a depositor do with his canceled checks? How long should he keep them? Why should he keep them?

Sec. 399. What is a depositor's duty in regard to examining his bank statement? At least how often should a depositor call for his statement? If a depositor does not call for his statement, what does he admit regarding his account?

Sec. 400. What is meant by proving, or reconciling, the bank statement? Name each thing that one should refer to in proving a bank statement. In case one has issued checks that have not been cashed by the bank, what should he do about it?

Sec. 401. What five differences may exist between the bank statement and the check-stub record? If you are unable to make your check-stub record agree with the bank statement, what should you do?

Sec. 402. Why do people put money in a savings account instead of in a checking account? What must one do in order to draw money from a savings account? Explain how a savings account may be a loss to a bank?

Sec. 403. Explain how a savings account may be opened by mail. How often should savings passbooks be sent or taken to the bank?

How may one withdraw by mail money from a savings account? How much of a balance should one keep in a checking account? Why?

Sec. 404. Formerly, what did one have to do in order to get a loan at a bank? Explain the difficulties that many wage earners had in getting and paying loans. Where can working people now get loans? About what rate of interest do they have to pay? For what must personal bank loans be used? What do bank officials include under actual necessities?

Sec. 405. Who may obtain personal loans from a bank? When one signs as a comaker on a personal-loan note, what does he agree to do? Who may sign as a comaker? Explain how personal loans are repaid. What may be the amount of a personal loan? Explain the insurance feature connected with personal bank loans. What advantage is there in paying a personal bank loan before it is due?

Sec. 406. Do banks wish to make personal loans to the same person year after year? What six questions does a bank consider before making a personal loan?

Sec. 407. Describe the safety-deposit box service offered by banks. What other safety-keeping service is offered by some banks?

Sec. 408. What is a certificate of deposit? When does one bear interest? When are certificates of deposit payable? When do people buy them?

Sec. 409. What is a cashier's check? When might an individual wish to obtain one?

Sec. 410. What is a certified check? Why is it as good as a cashier's check? Why do contractors often use certified checks? For whom will banks certify checks?

Sec. 411. In the past, why did not banks charge depositors anything for accepting their deposits and cashing their checks? Explain why the accounts of some depositors are more profitable to the banks than others.

Sec. 412. Explain how banks figure the cost of handling checking accounts. How much income does a bank receive from an account with an average balance of \$100? How much does it cost a bank to handle a check on itself? on another bank in the same town? on an out-of-town bank? How many checks a month may an account of

\$100 draw without causing loss to the bank? Each additional check should carry how much additional balance?

Sec. 413. Upon what does a bank earn most of its profit? What are some of a bank's expenses? What per cent of a customer's deposit does a bank keep on reserve? Explain why a bank can make no profit on floating checks. Besides interest on loans, what other sources of profit does a bank have?

Sec. 414. What did the average person and business man formerly think about banks and bankers? Where do the officers of the bank now have their desks? How do banks get lenders and borrowers together?

Sec. 415. Where is idle money sometimes hidden? Through what means may it be put to work? In what way will the owner be paid for its use? Trace the probable history of a dollar after it leaves a bank, showing how it may pass through the hands of ten or eleven different workers and producers.

Sec. 416. Why is it well for one to patronize his neighborhood bank?

Sec. 417. In what proportions are bank deposits used for the various services mentioned in this section?

For Class Discussion

Sec. 354. Try to express the value of a few common articles without talking in terms of money. Try to express the length of a thing without using such words as inches, feet, yards, or meter. If money measures value, what is value?

Sec. 355. Supposing that we had a barter system instead of money, explain how a person would go about buying an automobile, and how the automobile dealer would run his business. If a barter system were in use, what would a lawyer give his stenographer as wages at the end of the week? How could he obtain such wages to give her? How could an American merchant settle with a Brazilian coffee grower for a ton of coffee? Can you think of a better medium of exchange than gold or silver?

Sec. 356. What do you think would happen if any banker or other person could legally make or print his own money? Why do governments find it necessary to make certain forms of money legal tender?

Sec. 357. What do you think finally happens when a government issues a large amount of fiat money, and keeps on issuing more and more?

Sec. 358. Since there is more paper money than there is gold and silver owned by the government, why then will people continue to accept paper money?

Sec. 359. If there is a dollar in silver on deposit for each silver certificate issued, why issue the silver certificates?

Sec. 360-362. Why does our government print greenbacks, silver certificates, and federal reserve notes? Why not print just one kind? If you had \$100, would you rather have it in greenbacks, silver certificates, or federal reserve notes?

Sec. 364. Why do you think we still continue to use gold as a measure of value?

Sec. 365. With your book open, read the essentials of good money and decide why each is important. Can any be left out? Should other essentials be added?

Sec. 366. If you know of any other explanation of how the dollar sign originated, be prepared to tell about it. Cite another illustration that will give some idea of the meaning of a million dollars. Tell about the money system of another country.

Sec. 367. Why is it unsafe to send money in a letter through the ordinary mail?

Sec. 368-370. Why is it safer to send a postal money order than it is to send money? If you have ever bought or cashed a postal money order, tell of your experience in doing it.

Sec. 371. What is the difference between express money orders and postal money orders? Why do people buy express money orders instead of postal money orders?

Sec. 372. If you know of any instance of a person's sending for money by telegraph, tell about it. Do telegraph companies send real money over the wires? If not, how do they manage to telegraph money?

Sec. 373. Why do some people buy bank drafts instead of postal or express money orders?

Sec. 374-376. If you have been in a bank, tell what it looks like, both outside and inside. Of all the services rendered by a bank, which do you think the most important?

Sec. 377. If a person has the money with which to open a checking account, why should the bank require him to be introduced or identified? If a person finds your checking-account passbook, does this make him able to draw out your money?

Sec. 378. If you do not have your passbook with you when you wish to make a deposit in your checking account, why should you make out a duplicate deposit slip?

Sec. 381. How do you think counter checks got their name?

Sec. 382. How can you fill out a check so that it will show for what it is given? What advantage is there in having a check show this?

Sec. 383. Why does a person write his signature in such a way that it cannot be read? Why do you think a legible signature is more difficult to forge than an illegible one? Have you ever known of any cases of forged signatures?

Sec. 384. If a merchant cashes a forged or raised check and is later unable to find the person for whom he cashed it, who should stand the loss, the merchant, the bank upon which the check is drawn, or the person whose signature is forged or whose check is raised? If a bank cashes a check upon which the signature is cleverly forged, should the bank stand the loss, or should the person whose signature is forged stand the loss?

Sec. 385. Under what circumstances do you think a person might stop payment on a check?

Sec. 386. Why do you think it is a good thing to number checks? Are numbers on checks absolutely necessary?

Sec. 387. What people do you think would be willing to have a joint checking account?

Sec. 388. Why is it risky to cash a check for a stranger? Why is it risky to indorse a check for someone else? If Don Jones has a check that he received from someone else and wants a merchant to cash it for him, why should the merchant require Jones to indorse the check before cashing it?

Sec. 389. How do you suppose each of the three kinds of indorsements got its name? Which indorsement would make the check serve

as the best receipt? Why do you think a rubber-stamp signature is allowed in the case of "For Deposit" indorsements? Why shouldn't rubber-stamp signatures be allowed for other indorsements?

Sec. 390. Why does a bank require a depositor to prepare a deposit slip when making a deposit?

Sec. 391. Explain the danger of indorsing checks for friends.

Sec. 392. In paying a bill by check for goods bought from some company, or for taxes, or for a public service, to whom should the check be made payable? Why?

Sec. 393. Why should an employee never destroy one of his employer's checks if he happens to spoil one when writing it? What should he do if he spoils one? Why is there no harm in a person's destroying his own check if he happens to make a mistake in writing it?

Sec. 394. Give as many reasons as you can for cashing checks promptly.

Sec. 395. Why is it proper for a bank to charge for cashing out-of-town checks?

Sec. 396. For what reasons might a bank refuse to cash a check? If bank officials are well acquainted with a depositor, why should they object to his overdrawing his account once in a while? Why is it more serious to draw a check upon a bank in which one has no account, than to overdraw one's account?

Sec. 397. Why would a person rather have a postdated check than no check at all? Why will not a bank cash a postdated check prior to the date it bears?

Sec. 398-401. Explain what is contained in a bank's monthly statement to depositors, and how the depositor's check stubs should be checked against it. In what respects may they differ and yet both be correct?

Sec. 402. Why is it a more serious matter to lose a savings-account passbook than a checking-account passbook? Explain how a savings account may be a loss to a bank instead of a gain.

Sec. 403. What are the advantages and disadvantages of doing banking business by mail?

Sec. 404-406. Why have some banks gone into the small-loan business? Who may get a personal loan at a bank, and how should he go about getting it?

On the basis of the values you found in answering question 2, about what are the following worth in our money:

- a. 8 pence?
- b. 12 shillings?
- c. 60 centimes?
- d. 35 reichspfennige?
- e. 80 centesimi?

Sec. 367-373. 1. Give examples illustrating cases in which it might be better to use one rather than another of the following methods in sending money from one place to another: a postal money order, an express money order, a bank draft, a check, currency or coin, postage stamps.

2. The following are fees charged for the purchase of postal money orders:

\$ 0.01 to \$ 2.50....	6¢	\$20.01 to \$ 40.00....	15¢
2.51 to 5.00....	8¢	40.01 to 60.00....	18¢
5.01 to 10.00....	11¢	60.01 to 80.00....	20¢
10.01 to 20.00....	13¢	80.01 to 100.00....	22¢

On the basis of this table, how much would one have to give the postmaster if buying money orders for each of the following amounts:

- a. \$1.34?
- b. \$91.40?
- c. \$24.68?

3. If the telegraph company charges the price of a fifteen-word telegram plus the amounts below, how much money would you have to give the company to telegraph \$20.00 from your city to Chicago, not counting the government tax?

\$ 0.01 to \$25.00.....	25¢	\$50.01 to \$ 75.00....	60¢
25.01 to 50.00.....	35¢	75.01 to 100.00....	85¢

4. If a bank charges one-tenth of one per cent as an exchange fee, what would it cost you to buy a bank draft for \$250.00?

5. If a bank charges one-twentieth of one per cent as an exchange fee, what would it cost you to buy a bank draft for \$2,840.00?

Sec. 374. Look up the word *bank* in an encyclopedia and be able to tell the class something about the history and development of banks.

Sec. 375-376. Ask your teacher to arrange for some of the members of the class to visit a bank and have its workings explained. If you are one of the visiting party, take notes and be able to tell the class about the workings of the bank and the services it renders. Explain how the United States Government insures the bank deposits of individuals.

Sec. 382. What are the advantages and disadvantages (if any) of a checking account?

Sec. 385. Explain how to stop payment on a check.

Sec. 386. What precautions should one take in writing a check? Write a check observing these precautions.

Sec. 387. What do you consider the advantages and the disadvantages of a joint checking account?

Sec. 389. When is it best to use each of the three following indorsements: "in blank," "in full," "for deposit"?

Sec. 390. Rule a deposit slip and enter the following items under your name: check for \$74.48 on the First National Bank of Los Angeles (clearing house number 16-71); check on the Commercial National Bank of Salem (clearing house number 12-173); currency, \$49.00; coin, \$19.84.

Sec. 391. For what purpose might a person ask a friend to indorse a check for him?

Sec. 393. When auditing a firm's books, why do you think an auditor wants to see every check that has been torn out of the check-book, even the spoiled ones?

Sec. 394. Give as many reasons as you can why checks should be cashed promptly.

Sec. 396. If your teacher can get a sample of the printed slip that the bank official attaches to a check upon which he refuses payment, read the various items on the slip and be prepared to tell the class about them.

Sec. 397. What is meant by the statement: "From the receiver's standpoint, however, a postdated check is preferable to no evidence of a debt"?

Sec. 397-401. John C. Ames received the following statement from his bank on February 1:

FIRST NATIONAL BANK

Customer's Statement—John C. Ames

CHECKS	CHECKS	DEPOSITS	DATES	NEW BALANCE
		1,000.00	January 1	1,000.00
140.00			January 6	860.00
25.00	38.24		January 20	796.76
		100.00	January 22	896.76
335.20	26.35		January 31	535.21

Mr. Ames finds that his check-stub balance is \$430.50, instead of the last balance shown on the bank statement. After comparing his canceled checks with his check stubs, he finds that check No. 5, for \$29.00, and check No. 9, for \$75.71, have not been entered on the bank statement. On the basis of this information, answer the following questions:

1. What must Ames do to prove that his check-stub balance agrees with the bank statement?
2. How much has he in the bank?
3. Why are checks outstanding?

Sec. 402. If you have access to a compound-interest table, answer the following questions:

1. How long does it take money to double at each of the following rates of interest: 2%? 3%? 4%? 5%?
2. Find the amount of \$240 at 4% for 14 years.
3. If you have access to a table showing the amount accumulated at the end of a period of years by paying \$1 at the beginning of each year in the period, find out how much a person would have at the end of 15 years by investing \$100 each year at 5%.

Sec. 404-406. What will it cost to buy a radio costing \$60 on twelve monthly payments with an insurance and carrying charge of \$5.04, assuming that the purchaser pays \$5 down and is charged 8% interest on the unpaid balance plus the insurance and carrying charge? What would be the amount of each monthly payment? How much would be saved by borrowing the \$60 from a bank and buying the radio for cash?

Sec. 410. Mr. Smith had his check for \$1,000 certified and gave it to Mr. Jones. The day after the check was certified, Smith drew all of his money from the bank. Did this make the certified check valueless? Give the reason for your answer.

Sec. 412. Mr. Brown had an average collected balance of \$350 in his account for a certain month. During the month he drew 85 checks and made 22 deposits. How much did the bank gain or lose on this account?

Sec. 414. Be prepared to give a talk on "The Social Value of Saving."

Word Study for Chapter XIV**SECTION**

418. **Determine**—find out; decide definitely.
Moralists—those who teach the duties and obligations of life.
Major—greater in number or importance; more important.
Heed—listen to; take notice of; mind.
419. **Laudable**—worthy of high praise; commendable.
Unvarying—unchanging; always the same.
420. **Surplus**—that which is left when one's main needs are taken care of; excess.
421. **Provision**—preparation; act of looking out for a thing in advance; foresight.
Parsimony—stinginess; closeness; miserliness.
Generosity—warm-hearted readiness to give; liberality.
422. **Demoralizes**—takes away spirit or energy; causes to be untrustworthy.
Lurk—lie in wait; be concealed.
Foolhardy—reckless; foolishly daring; incautious.
Frugal—saving; careful; economical.
Urgent—calling for immediate attention; pressing.
423. **Mode**—way; manner of doing; method.
424. **Complex**—a queer way of thinking; a peculiar habit; an attitude.
Spinet desk—an early American style of desk.
426. **Reputable**—having a good name; worthy of respect and trust; well thought of.
Collapse in 1929—the sudden falling down or cave-in of values which happened in 1929; "the depression."
429. **Exempt**—free or released from some charge; excepted.
434. **Acquire**—get as one's own; gain through one's own efforts.
Associates—companions; those often in company with another.
437. **Formal**—of a certain form; exact.

438. **Delegated**—sent as a representative; entrusted to do something for someone else.

Procedure—act or way of doing a thing.

Boomerang—a curved club which can be flung so that it will come back again near to the place from which it was thrown; hence, any story which comes back to harm the one who started it.

439. **Humiliating**—tending to make one feel ashamed, humbled, or disgraced.

Pretest for Chapter XIV

1. What difference is there between thrift and saving?
2. What is the use of saving money?
3. Under what circumstances might a savings account in the bank keep a person from going to jail?
4. Why are many people always depending upon charity?
5. Where in a home is the safest place to hide money?
6. How much money is necessary to buy a Government Savings Bond?
7. How did John D. Rockefeller become America's richest man?
8. Why should not a boy or a girl buy a Christmas present for his parents and charge it to their account?
9. Why should one keep a record of what he spends?
10. How much money do you think the average ninth-grade pupil spends each week?
11. Who do you think spends more money, a boy or a girl?
12. When a person is selling tickets for others, is there anything wrong in using the money personally, provided that one intends to pay it back when making settlement for the tickets?
13. If you were given money to buy flowers for a sick member of your class, what should you do in order to avoid being suspected of keeping part of the money for yourself?
14. What should a person always do when accepting the office of treasurer for an organization?
15. What should one do in order to avoid forgetting about a promise made regarding a matter to take place six months or a year later?
16. Does your family keep any systematic record of its income and expenses?

CHAPTER XIV

SAVINGS AND RECORD KEEPING

418. **The Meaning of Saving.** Although thrift and saving are usually discussed as one and the same thing, there is a great difference between them. In an earlier chapter we learned that thrift means using wisely of money, time, or energy, and spending thoughtfully of these things. Saving is entirely different; it means the avoidance of spending. Thrift is quite difficult for many people to learn, but saving is far more difficult; in fact, it is an art which very few persons master. The reason for this is that many persons are unable to determine whether they are saving or actually losing. Often what appears to be a saving may, in reality, be a loss. Saving is a habit; if it is to be acquired, it must begin early in life. The greatest moralists of America, from Benjamin Franklin to Calvin Coolidge, have sung the praises of the saving habit. It has always been regarded as one of the major virtues. During the recent depression, numerous efforts were made to induce people to spend all of their incomes and their savings in order to increase the demands for workers. Many of those who heeded this advice are now on the charity rolls. Unfortunately many who had saved every penny and dollar during a lifetime of hard work lost it all during 1930 and 1931 because of bank failures and unwise investments in building and loan associations and stocks. Nevertheless, the wisest people today are saving every dollar they can; and, as long as deposits are insured, people's savings will be safe in the banks.

419. **What's the Use of Saving?** There is no good reason for saving money unless by so doing it will enable us to manage better our personal affairs, secure more freedom, and increase our own happiness. Saving money merely to let

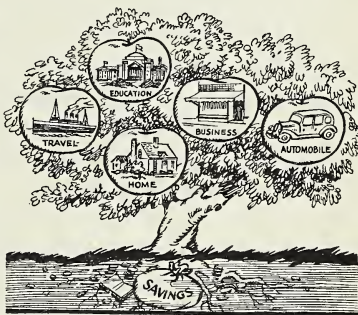
someone else spend it in having a jolly good time is not considered a laudable act by most serious-thinking persons.

Managing your personal affairs is very much your own business. About the worst thing one can do is to try to run his affairs exactly as someone else runs his. Each person has a different problem to solve. Everyone, though, is interested in learning how successful people manage their affairs so as to secure money for the things that they want. Some men save money by spending it; others spend money by saving—they save the wrong dollar, for the wrong thing, at the wrong time. We learn nothing from them except what not to do.

Nearly every fortune has been founded on the unvarying practice of saving a definite sum, small or large, before any spending has been done. The first dollar out of the pay envelope is the easiest dollar to spend. It is also the easiest dollar to save, and the man who cannot save that dollar cannot save any dollar.

420. **Saving May Serve**

Two Purposes. Some persons save small amounts in order to get together enough money to buy something costing a large amount, perhaps a bicycle, a radio, or an automobile. This may be a



Savings must be at the root of all our future needs.

good reason for saving, but it is not the principal one—that of having a surplus laid aside to be used only when one is in a tight place. During the recent depression some persons who were thrown out of work were able to live very comfortably for a year or more on what they had saved, or until they were able to find employment again.

421. Saving Need Not Be Selfishness. The person who has money is usually envied by the person who has none, and the latter always urges the former to spend. Many young people

fail to save because they are afraid of being called miserly. It is difficult to say which is the more undesirable citizen, the miser or the spendthrift. The miser who hoards money and keeps it out of use is the height of selfishness and does little good for society. The spendthrift, who makes no provision for future needs but calls for help whenever his money is gone, is a parasite equally as bad as the miser. Parsimony is no more related to economy than extravagance is to generosity. The most generous person is not always the one who gives his hard-earned savings away to every Tom, Dick, or Harry wanting help, regardless of whether he deserves it or not. Not to save anything, a characteristic of so many Americans, indicates weakness of character. If somebody calls you "stingy" without just cause, reply with these words of Charles Buxton's: "A slack hand shows weakness; a tight hand, strength."

422. When Savings May Save Our Life. Every good citizen tries to save something out of his income for future emergency and to avoid becoming dependent upon charity. Nothing else lowers a person's self-respect and demoralizes his ambition more quickly than to be compelled to beg from others. The strongest person soon becomes a weakling when, after years of money-earning, he finds himself with an empty pocketbook. Savings are needed in case of emergency, and rare indeed is the person who can live many years without having to face an emergency which calls for more money than he has from his weekly or monthly income. Sickness, accident, and many other forms of trouble are always lurking around every individual, and it is only the foolhardy person who trusts to luck that these misfortunes will strike everyone else except himself. Frugality means to deny oneself of luxuries until one has saved something to tide him over an emergency. Self-denial is an excellent developer of character because it requires will power to resist the desire for certain things when we have money with which to buy them. The frugal person does not need to borrow from friends and relatives or seek a loan shark and pay an enormously high interest rate for the use of a few

dollars in time of urgent need—perhaps for a hospital bill or a bail bond.

423. Learning to Save. Saving money is largely a matter of self-denial. The first lesson to be mastered before anyone can hope to save money is to learn how to do without some things. The person who wilfully produces little or nothing has no right to expect the same things that the hard-working person earns. The second lesson deals with how to distinguish between necessities and luxuries. Absolute necessities for sustaining life are very few. During the years of the depression, thousands of people discovered that they were living healthier and happier lives on incomes half as much as they had formerly received. What they had been accustomed to consider as absolute necessities proved to be entirely unnecessary when they had adjusted themselves to a different mode of living. Nearly everyone who has traveled long on the journey of life knows that there is nothing in expensive jewelry, furniture, pictures, rugs, or material things that can bring lasting happiness. Thousands of people who spend their last dollars for radios fail to use them very much after a little while. The same practice is true in regard to diamonds. After the first thrill, many persons lay their diamonds away and apparently forget that they have them. The third lesson to be learned is not to spend money before one has earned it. The borrower of money *never* can save; and the person who goes into debt for today's pleasure, intending to pay for it out of his future income, will never have a surplus. The fourth lesson to be realized is that it is useless to try to "keep up with the Joneses." Like trying to pass the cars on the road—there is always another one just ahead. It is safe to say that thousands of people today are on the relief rolls simply because they bought things which they could not afford, not for the personal pleasure of possession, but for the satisfaction of out-doing someone else.

424. Dollar-Down Complex. The reason that many people are unable to save money is because they pay too much for the

things that they buy. These people have the dollar-down complex and buy only on the instalment plan. Anything bought on instalments usually costs from twenty-five to fifty per cent more than if bought for cash; hence the person who pays cash should have twice as many comforts or luxuries as the person who buys on time. The sign, "Easy Terms," is the bait that starts many persons on the road to disaster. They begin by buying furniture on the instalment plan; before getting their first debt paid off, they find that they need a vacuum cleaner, a gas range, a radio, a refrigerator and a score of other things. Then, before they get all these things paid for, they discover, to their dismay, that a neighbor has just bought a new automobile or a spinet desk. They will be making such discoveries the rest of their lives and buying things because other people have them, and, as a result, they will always be making the so-called easy payments. The person who uses the pay-as-you-go plan usually can write a check on the bank when an emergency arises. Neither does he fear a bill-collector every time that the doorbell rings.

425. **Requirements for Learning to Save.** The first essential for every boy or girl who wants to save some money is a substantial purse or pocketbook in which to keep it. Money carried loosely in the pocket or in a handbag gets mixed in with other articles and is easily lost. The boy or man who carries loose money in a pocket of his trousers never knows at the end of a year how much he may have lost while lying down or exercising. The second essential is a small bank in the home in which to deposit coins. The best kind is furnished by some banks or savings institutions, and it can be opened only by them, a scheme which prevents dropping money in a bank one day and taking it out to spend the next. The third essential is a hiding place in the house for the small bank. In nearly every home there are many safe places in which a bank may be hidden. Such places, however, are not in the kitchen cupboard, a dresser drawer, or under a mattress—places where every sneak thief looks the first thing.

426. What to Do With Savings. Just as soon as one has collected a few dollars in the home bank, it should be taken to a bank which has fireproof and burglarproof vaults for the safekeeping of money. Savings banks pay a small rate of interest, but this should not be considered the chief reason for depositing the money; the main object is safety. Just so long as banks continue to have deposit insurance which protects the depositor from loss in case of bank failure, there is no better place in which to keep savings than in a reputable savings bank. If deposit insurance later is discontinued, then the only safe place will be in the Postal Savings or in the purchase of a Government Savings Bond. Until one has completed an extensive course of study in the subject of investments and is sure that he is well informed, it is almost foolhardy to attempt to invest one's savings in any



There is little object in piling up dollars only to lose them through folly or foolish investments.

kind of a business venture. Successful investors in stocks and bonds or other securities are rare. Dr. S. S. Huebner, one of the best authorities on money matters, says, "Not more than two per cent of our people are equipped either by training or by temperament with the ability to select their individual investments wisely." The truth of this statement was very apparent after the collapse in 1929.

427. Postal Savings System. The United States Post Office has a savings department to encourage the general welfare of the people. Through this system, idle money—money asleep and beyond the reach of the business world—is brought to light of day and put to work. The interest rate is small, being only two per cent, but the assurance that one may get his money always when he wants it is more of a consideration than the profit. The Postal Savings is not an investment, and the government does not want it considered as such. The faith

of the United States is solemnly pledged to the payment of deposits made in postal savings depositories.

428. United States Savings Bonds. These Savings Bonds issued by the United States Government may be bought at any post office. They are intended to help people who have saved small amounts of money but lack the business experience to invest it wisely. If you invest in these bonds, you will receive at the end of ten years what you have invested, plus an accumulation of interest, totalling $33\frac{1}{3}$ per cent more than you originally paid for the bonds. The difference between the amount which you pay and the amount which you receive at the end of ten years represents annual interest accruing to you at the rate of 2.9 per cent, compounded semi-annually. The United States Treasury will, at any time, after sixty days from the date of purchase, take up your bonds for exactly what you paid for them, or for a greater amount, as shown in the following table, provided that the bond has been held for one year or more.

TABLE OF REDEMPTION VALUES OF UNITED STATES SAVINGS BONDS

ISSUE PRICE..	\$18.75	\$37.50	\$ 75.00	\$375.00	\$ 750.00
Redemption values after the issue date:					
First year	\$18.75	\$37.50	\$ 75.00	\$375.00	\$ 750.00
1 to $1\frac{1}{2}$ years...	19.00	38.00	76.00	380.00	760.00
$1\frac{1}{2}$ to 2 years...	19.25	38.50	77.00	385.00	770.00
2 to $2\frac{1}{2}$ years...	19.50	39.00	78.00	390.00	780.00
$2\frac{1}{2}$ to 3 years...	19.75	39.50	79.00	395.00	790.00
3 to $3\frac{1}{2}$ years...	20.00	40.00	80.00	400.00	800.00
.....					
10 years...	25.00	50.00	100.00	500.00	1,000.00

429. Interesting Points About Saving. Instinct tells squirrels to bury food in the ground or in hollow trees for future use. Ants and bees instinctively lay up food for the winter. The normal human child is inclined to save.

Citizens of Chile are obliged to save ten per cent of their salaries, from which they may borrow in case they are ill or about to be married. The state runs most of the hospitals and

even buries its citizens from state undertaking establishments. In China the army compels its soldiers to save. Ten per cent of the rate of pay must be saved, and no one is exempt from saving it.

One can discipline himself to save money, and such a discipline as well as the saving is far reaching. John Wanamaker, at one time the country's greatest merchant, remarked: "The difference between a clerk who spends all his salary and the clerk who saves a part of it, is the difference between the owner of a business and a man out of a job."

430. Rockefeller's Advice. After almost 100 years of experience in the successful handling of money, John D. Rockefeller, one of America's richest individuals, gave the following advice when asked the secret of his making so much money:

"Why, it's very simple. If your income is \$30, you save 10 per cent of it. When your income gets to be \$60 a week, you save 20 per cent of it. And when your income gets to be \$120 a week, you save 50 per cent of it."

431. When Savings Are Valuable. One of the greatest thrills a young person can have is to give his mother or father a birthday or Christmas gift. It is not, however, so pleasing to the receiver of a gift to have to advance the money for it or to have it charged to his account. The boy or girl who looks ahead and saves money will be in a position at Christmas time to buy presents with his own money, and thus bring a pleasant surprise to other members of the family. A real gift is one we make through our own personal sacrifice.

432. Save Ideas and Thoughts. Money is not the only thing we can save. In addition to saving money, a person may save his best thoughts or ideas, some of which may be very valuable in future work. Each of the authors keeps a box near his desk at home in which to toss a note of any idea or thought which he may have and possibly need later. It takes but a moment to jot down a thought on a slip of paper and toss it into the box. Good ideas may flash through the mind and soon

disappear—perhaps never to return; therefore, it is a good plan to record them in writing as reminders.

433. Social Value of Saving. The first steps that led mankind away from savagery were taken when somebody laid aside a little surplus from one day's supply to protect against a possible shortage the following day. Thus, because somebody saved, the world has advanced through the ages. All the surplus capital in the world exists because somebody saved it. Individuals saved some of it, and institutions saved some of it. If everybody had always spent all that he received, there would never have been any surplus capital. There would never have been means available to undertake new enterprises, such as railroads, electric light plants, waterworks, or school buildings and churches. Without savings, very few of the many persons who today are making pleasure trips around the world would be doing it.

RECORD KEEPING—Unit 2

434. The Need for Records. In order for one to live a well-ordered life, to take care of his personal affairs properly, and to save money as well as time, it is necessary for him to keep certain records. The earlier in life one begins the record-keeping habit, the easier it is to acquire. The most common records needed by nearly every person in his daily life are: names, addresses, telephone numbers of friends and associates, record of appointments, record of physical development (weight and height), and record of personal income and expenses. Some people keep a diary and record everything of importance that happens each day, but the average person finds that after the first week or two in January too much work is involved in writing everything down daily, and he gives up the practice. There is, however, very little time or effort required in keeping simple records of those things to which we are almost sure to want to refer later. For fifteen

cents we can secure a nice little filing cabinet at any five-and-ten cent store, and with a package of index cards—three by five inches is a good size—we can keep our most essential records, and at the same time we can learn how to file.

435. Personal Expenses of Students. A recent study of the weekly expenditures of more than 4,000 high school pupils in one large city shows the following figures for each grade:

Ninth Grade	\$.82
Tenth Grade	\$1.00
Eleventh Grade	\$1.45
Twelfth Grade	\$1.48

In these grades it was found that girls did not spend quite as much as the boys. The money was spent chiefly for the following items: haircuts, lunches, candy, ice cream and soft drinks, amusements, stationery, books and magazines, street car or bus fares, bicycle repairs, novelties and trinkets, boy scout or campfire girls' dues, student body affairs, and automobile expense, such as gasoline and oil.

436. Record of Personal Expenses. Young people receiving a weekly allowance of spending money sometimes are criticized by their parents for being extravagant. The best way to avoid such criticism is for the student to keep a record of every expense so that he may prove to his parents that he has not been spending his allowance foolishly. All that is needed for

<i>Allowance \$1.00</i>	
<i>Monday</i>	
<i>Lunch</i>	15
<i>Notebook</i>	05
<i>Tuesday</i>	
<i>Lunch</i>	12
<i>Wednesday</i>	
<i>Lunch</i>	15
<i>Bus</i>	10
<i>Thursday</i>	
<i>Lunch</i>	10
<i>Friday</i>	
<i>Lunch</i>	10
<i>Saturday</i>	
<i>Movies</i>	20
<i>Candy</i>	05
<i>Earning washing car</i>	75
<i>Sunday</i>	
<i>Church</i>	10
<i>Total income for week</i>	1.75
<i>Total expenses</i>	1.12
<i>Balance on hand</i>	63

A memorandum showing that money is not being squandered foolishly may result in a larger allowance for a boy or girl.

keeping such a record is a small blank book which may be purchased at any stationery store. The illustration on page 457 shows the simplest and easiest way of keeping a personal record. This record may be offered to the parents at the end of each week for their inspection.

437. First Lessons in Business. Nearly every person sooner or later is entrusted to receive money from others and to pay out money for others. Other people's money should never be mixed with our own funds. In order to avoid any possibility of suspicion, it is very important that we give a receipt for all money put in our care, and that we demand a receipt for all money which we pay out for others. There is no other evidence of our honesty that is so satisfying as a written receipt. No formal wording is necessary on a receipt; merely a statement to the effect that so much money was received from the person named for a certain purpose is sufficient. A form similar to the following may answer for almost any receipt.

Date.....

Received of Doris Kendall fifty cents for dues.

Marjorie Thompson

Receipt books with stubs or extra sheets for making carbon copies may be purchased for a few cents at any stationery

<u>Nov. 19 193-</u> To <u>Robt. Brown</u> For <u>2 tickets</u> <u>\$1.00</u> Silsons 713 1/2 Made in U.S.A.	<u>Nov. 19 193-</u> Received of <u>Robt. Brown</u> <u>One no. 1000000</u> Dollars For <u>Tickets</u> <u>Nina Malone</u> <u>\$1.00</u> The "Indent" Receipt Book.
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A receipt book with stub attached as illustrated above may be purchased for a few cents at any stationery store.

store. The stub or carbon copy provides the giver of a receipt with a record which he can use for keeping his accounts. All receipts should be kept on file for at least a year.

438. Bills Should Be Receipted. A pupil is sometimes delegated to purchase flowers or a gift as a remembrance for someone in the school. In such a case, the person making the purchase should demand from the merchant a bill showing the date, the name of the purchase, the price, and the merchant's receipt showing that the bill has been paid. This procedure would serve to clear a pupil in case any suspicion concerning what he has done may arise. Sometimes a particular person has a grudge against another, and he will use every opportunity to try to cause that person embarrassment. When one is able to prove his honesty, any unfair accusation acts as a boomerang against the accuser.

	
NOTE PHONE TERACE 3214	BUSINESS PHONE TERACE 3214
343 EAST COLORADO STREET November 18 1933	
Sold to George Jones, Class Treasurer	
Terms Net, fiscal month following date of purchase. Interest at 1% monthly after 30 days. Members F. T. D. Association.	
FLOWERS DELIVERED BY TELEGRAPH TO ANY PART OF THE WORLD	
Nov. 28	Roses (12) Miss Mary Smith 2 50
	

An invoice is a list of goods sold by a business concern. To the customer an invoice is known as a bill. When spending other people's money, one may avoid suspicion of dishonesty by showing a receipted bill.

439. The Classroom Treasurer. At various times during a year, classes in most schools take up a collection of money for some purpose. One member of the class is appointed as class treasurer. He is entrusted with collecting money and accounting for it, and according to instructions may turn it over to the principal, the student body treasurer, or dispose of it as the class instructs him to do. In any event, he must keep accurate records. Should he lose any of the money, he is expected to make up the loss out of his own pocket. He

should never spend any of the money, not even a dime, for his own personal use. One of the worst habits any person can start when he is intrusted with other people's money, is to borrow it, even temporarily. This habit, although usually begun with the best of intentions, has led thousands of persons to ruin. It is one of the most difficult temptations to resist, but the only safe thing to do is to resist it. People who contribute to any fund always have the right to demand an immediate accounting, and very often they do so. To be caught short of having the full amount of money belonging to others is humiliating and reflects upon a person's character, even if he makes up the amount almost immediately.

<u>Mary Stevens Record For the class 193-</u>									
<u>Date</u>		<u>Cash Received</u>		<u>Cash Paid</u>		<u>Class Dues</u>		<u>ND Paper Annual</u>	
Sept. 15	Money turned over to me by former treas.	2.75							
Sept. 20	Eddie Roberts	1.50				50			1.00
Sept. 25	Dorcas Dean	50				50			
Oct. 4	Harold Eddy	50				50			
Oct. 11	Mary Stevens	1.50				50			1.00
Oct. 25	Frank Tyler	50				50			
Nov. 1	Elsie Gibbs	50						50	
Nov. 7	Marian Davis	1.50						50	1.00
Nov. 9	School Treas.			5.00					
	Total Receipts	9.25							
	Total Payments			5.00					
Dec. 1	Balance			4.25					
		9.25		9.25		2.50		1.00	3.00

A treasurer, regardless of how little money he may handle, should always have a written record of the money he receives and turns over to others.

440. Keeping Cash Records of Funds. The first thing any person who is elected as a treasurer should do is to provide himself with a cash book and a receipt book which will be ready at all times for public inspection. One does not have to

take a course in bookkeeping in order to keep proper records for himself, a club, a church, or a society. Since no merchandise is bought or sold by such organizations, there is no need for double entry bookkeeping. A simple cash book may be kept, and its accuracy easily proved. The illustration on page 460 shows how this may be done.

441. Be Responsible for Tickets. In social life as well as in school, we are often handed tickets to sell for some worthy cause. When accepting such tickets, we assume responsibility for them and are expected to make settlement when called upon. We must produce either the money or the tickets. No excuse, such as, "I lost them," or "Somebody stole them from me," will relieve us from our responsibility. If we do not wish this responsibility, then we should not accept the tickets. The person in charge of handing out tickets to others to sell should keep an accurate record of the number of tickets given to each ticket seller so that an accounting can be made to the officials promptly after the event has taken place. Here again one should never spend for his own personal use any money that he has received from the sale of tickets.

442. Keep Record of Promises. The memory of any young person is generally very short; thus it happens that sometimes a young person is accused of being dishonest because he has

*\$100.⁰⁰ Glendale, Nov. 18, 1913—
One year after date I promise
to pay to the order of E. W. Palmer
One Hundred Dollars
for value received, with interest at 7 per
cent per annum from date until paid. Both
principal and interest payable only in lawful money.
Payable at my home.
Due _____ Charles Winfair.*

A written promise to pay money at a future date is known as a promissory note. The writer of a promissory note should make some provision for keeping himself reminded when it must be paid.

Questions on the Text

Sec. 418. What is the meaning of thrift? What is the difference between thrift and savings? Why is it so difficult to learn to save? What happened to the people who spent all their income during the recent depression? What misfortune came to many who had saved part of their income? Is the wise person of today spending all of his income?

Sec. 419. Why should one save? To what extent can we learn to manage our own affairs by observing others? Upon what practices have most fortunes been founded?

Sec. 420. What two purposes may saving serve?

Sec. 421. Why do many young people fear to save? Compare the faults of the miser and the spendthrift. Can a person be considered generous who does not give to all who ask for help? What kind of character does extravagance indicate?

Sec. 422. What effect does begging have upon people? In what emergencies are savings needed? What is the meaning of frugality?

Sec. 423. What four lessons must be learned before anyone can hope to save much money?

Sec. 424. How does the dollar-down complex prevent people from saving? How does the easy-terms bait keep people in debt? What is the trouble with trying to keep up with one's neighbors?

Sec. 425. What three essentials must be learned by every boy or girl who wants to save money?

Sec. 426. Where should one keep his savings? If deposit insurance ceases, where should one put his savings? When should one invest in a business venture?

Sec. 427. What is the purpose of the Postal Savings System? What interest rate does it pay? Why is it safe?

Sec. 428. For whom are United States Savings Bonds intended? How do they grow in value? What rate of interest do they pay? What does a \$25 bond cost? How long before it is worth \$25? What does a \$50 bond cost? How long before it is worth \$50?

Sec. 429. What does instinct tell squirrels, ants, and bees to do? How much must the citizens of Chile save? What institutions does the government of Chile run? How much must the Chinese soldiers save? What did John Wanamaker say about saving?

Sec. 430. What did John D. Rockefeller say when asked the secret of his making so much money?

Sec. 431. How can young people make their parents appreciate a birthday or Christmas gift?

Sec. 432. What is one way of saving ideas and thoughts?

Sec. 433. Tell about the social value of saving.

Sec. 434. Why should one keep records of his personal affairs? What are the most common records needed in one's daily life? What does the average person do about keeping a diary? Upon what may personal records be kept?

Sec. 435. What is the average expenditure of pupils in each grade of high school? For what were the expenditures chiefly made?

Sec. 436. Why should a young person keep a record of his expenses? Where may one keep such a record?

Sec. 437. Why should receipts for money be asked for and given? What is a simple form of receipt? Where can one get a receipt book? How long should receipts be kept?

Sec. 438. What is the value of a receipted bill?

Sec. 439. What are the duties of a classroom treasurer? Why should he not spend class money upon himself or mix class money with his own? Why should a person never borrow money with which he is entrusted?

Sec. 440. What is one of the first things one should do upon being elected treasurer? What sort of a cash book is necessary in which to keep the financial records of a class or any organization?

Sec. 441. What responsibility does one assume when he agrees to sell tickets? What is the responsibility of the one who hands out tickets to be sold?

Sec. 442. What is a good method for keeping track of our promises? What should we demand when we lend money? What is a promissory note? How is it worded?

Sec. 443. Who might keep the family records? How can one learn how to keep household records and budgeting? How should keeping household records help one?

For Class Discussion

Sec. 418-420. What is meant by saving? Give reasons for and against saving.

Sec. 421. What is the difference between parsimony and economy? between extravagance and generosity?

Sec. 422-423. How should one go about creating an emergency fund? For what should such a fund be used? Of the four lessons mentioned in Section 423, which do you think is the hardest to learn? Which is the most important?

Sec. 424. What are the advantages and the disadvantages of buying on the instalment plan?

Sec. 426-428. Should a person invest all his available cash, or should he keep some cash in the bank for emergency? If you think he should keep cash on hand, how much should it be? Why might it be safe to invest most of an emergency fund in United States Savings Bonds? When might a person invest in stocks or real estate?

Sec. 429. Do you think our government should adopt Chile's plan of obliging people to save part of their salaries? of running the hospitals and undertaking establishments?

Sec. 430. What do you think of Rockefeller's advice?

Sec. 432. What is your plan for saving ideas and thoughts?

Sec. 433. Discuss the thought, "Because somebody saved, the world has advanced through the ages."

Sec. 434-436. What personal records should one keep? Describe a satisfactory method for keeping each one.

Sec. 437-440. What blanks, books, boxes, or files should a classroom or club treasurer have? What records should he keep, and how should he keep them? Where should he keep the money that he collects?

Sec. 441. In the sale of tickets, what records should be made in order to avoid any dispute at the time of settlement? If tickets are lost, is there any way of proving that they have not been used by anyone?

Sec. 442. Suggest a way of keeping track of one's promises.

Sec. 443. What household records could a high school pupil keep for his parents?

Thought Questions and Problems

Sec. 418-425. Some people think that unwise spending, instalment buying, and too much debt were among the chief causes of the recent depression. What do you think were the causes? Many people have lost all their savings through business failures and dishonest stock and bond failures. For this reason, they argue that people should spend as fast as they earn and not bother to save anything. What is your opinion in regard to this question?

Sec. 426. In what way does deposit insurance protect depositors? Why is it difficult to select investments wisely?

Sec. 427. Find out all you can about the Postal Savings System and be able to tell the class about it.

Sec. 428. A certain man plans to invest \$37.50 a month in United States Savings Bonds, figuring that starting ten years from his first purchase he will have an income of \$50 a month to live on after he retires. What do you think of his plan? Under what circumstances do you think one should invest in United States Savings Bonds?

Sec. 429. Find out what you can about unemployment and old age insurance. What do you think should be done about these forms of insurance in this country? To what extent do they constitute compulsory saving?

Sec. 430-431. What do you suggest as a good plan for saving and accumulating money?

Sec. 434-443. (a) Make samples of the blanks and forms mentioned in these sections.

(b) Make a month's record of a pupil's cash receipts and expenses (your own, if you wish).

(c) Write two receipts: one for 75 cents, which you as classroom treasurer have collected from John Smith for one semester's subscription to your school paper; another for 50 cents paid by Jane Brown as part payment for the school annual.

(d) Make out and receipt a bill for THE ELITE FLORIST SHOP for one dozen roses sold to you as classroom treasurer. The roses were purchased on November 15 at a cost of \$1.50, and were delivered to the Mercy Hospital for Mary Jones where she was recovering from a serious automobile accident.

Word Study for Chapter XV

SECTION

446. **Ample**—sufficient for all needs; large; big; spacious.
Absorbent—ability to hold moisture; soaking or sucking in.
Contribute—aid; help; to be of use to; give; supply.
451. **Function**—duty; office; power.
463. **Inspection**—the act of looking at carefully; careful examination.
Periodical publication—a printed magazine, journal, or the like, published at regular intervals of more than a day, such as weekly, bi-weekly, monthly, etc.
465. **Prepayment**—payment beforehand or in advance.
Addressee—one to whom a letter or package is directed, or addressed.
466. **Admissible**—worthy of being allowed to enter; worthy of being admitted.
Corrosive—likely to eat away gradually; tending to cause rust.
Obscene—filthy; indecent; dirty; disgusting.
Dunning—making a pressing demand for payment of a debt.
Current—belonging to the present time.
469. **Specific**—exact; definite; particular; precise.
470. **Redemption**—a buying back; a repurchase.
Embossed—printed so that the letters or ornaments are pressed or raised above the surface of the paper.
478. **Destined**—going to or intended for a certain place; bound for; fixed or determined ahead of time.
479. **Via**—by way of.
480. **Unrelenting**—without pity or mercy; harsh; not giving up.
Apprehend—catch; arrest; seize; lay hold of.
Penal Code—a body of laws stating those acts that are of a criminal nature, and the punishments therefor.
Depository—the place where anything is put for safekeeping.
Obstruct—stop or keep from happening; prevent from progress; hinder.

- Maliciously**—deliberately mischievous; influenced by hatred or spite.
- Assault**—to attack with intent to injure another, or to threaten such an attack.
- Epithet**—a word (adjective) pointing out something either good or bad about a person.
- Libelous**—having to do with false or harmful statements against a person; slandering to one's character.
- Fraudulent**—dishonest; unfair; having to do with trickery and cheating.
482. **Circumnavigating**—sailing completely around, as, for example, sailing around the earth or an island.
- Obscure**—unknown; hidden; humble.
488. **Corrugated**—shaped in ridges and grooves; furrowed.
492. **Phonetic**—having to do with the voice or with speech sounds.
494. **Nominal**—small; existing in name only.
500. **Bereavement**—the loss of a relative or a friend by death.
- Dispatched**—sent.
502. **Facilities**—the means by which anything may be more easily done.
- Transmitted**—sent from one place or person to another.
- Destination**—the end of a journey; goal.
503. **Anticipation**—looking forward; act of thinking about something beforehand; expectation.
- Contrary**—opposite; as different as possible.
504. **Designation**—a particular mark or title; the act of naming or pointing out.
505. **Traffic**—business; trade; commerce.
507. **Ensuing**—following; succeeding; coming after.
512. **Interconnected**—joined or connected among themselves.
514. **Ascertain**—make certain; find out.
519. **Irrespective**—without relation to anything else; independent; regardless.
522. **Quarantine**—an enforced isolation or separation from others, usually to prevent the spreading of disease.

Pretest for Chapter XV

1. When you are unable to talk to a person face to face, what are all the means you can use for communicating with him?
2. Some day you may be called upon to write a letter of application for a position. Name six parts that such a letter should contain.
3. Name all the services that are performed by the United States Post Office.
4. Name several things which it would be unlawful to put in the mail.
5. If you were to find a large quantity of postage stamps which someone had lost, would a post office or business house buy them from you?
6. If a man sends a package worth \$5 by parcel post and insures it for \$15, how much can he collect in case the package is lost in the mails?
7. If you are sorry that you mailed a letter, is there any way by which you can recover it before it is delivered by the letter carrier?
8. What is meant by drop letters?
9. Why cannot a banker in New York at nine o'clock in the morning, reach by telephone a bank in San Francisco?
10. When is a telephone in the home a luxury? a convenience? a necessity?
11. Would it be more economical to have the telephone in your home on a flat rate or a call basis?
12. When can one save money by using the telegraph instead of the telephone?
13. If you had an important message for a person traveling on a train, how could you reach him?
14. What is a Tourate Message? How much does it cost to send one?
15. Explain when each of the following telegraph services should be used: Telegram; Night Messages; Day Letter; Night Letter.
16. What can you do if you are stranded in a strange city and need money from home immediately?
17. How can you send a message to a person who is traveling on the ocean?

CHAPTER XV

COMMUNICATION SERVICES

LETTER WRITING—Unit 1

444. **Making Our Wants Known.** From the time we awake in the morning until we go to sleep at night, we are constantly wanting something. Many of our wants must be supplied by other people, and it is therefore very important that we make our wants known to others. In order to do this, we must communicate with others in some manner. Those who are unable to talk must use some kind of sign language. Those who wish to communicate with persons at a distance must do so by writing a letter, telephoning, or telegraphing. It may be a question of only a short time until all of us may communicate with each other by radio, using perhaps a small watch-like instrument which we may carry around with us. Our present most common forms of transferring thought consist of expressing ourselves either in writing or in talking. The chief reason for writing a letter to a person is that we are unable to talk to him directly.

445. **Letters Should Appear Attractive.** Most people would like to write an attractive letter, but not many know how. Stenographers and typists, as a rule, are the only persons receiving any definite instruction on the proper make-up of a letter, yet nearly everybody needs just such information. An excellently worded letter may be ruined by the lack of proper make-up, and a very weak letter may appear to be well done if it is arranged correctly. A little study and practice of letter writing will enable one to write a letter that is, at least, attractive in appearance.

446. Tools and Materials. To do anything well, one must be provided with good tools and good materials. In writing letters, the following tools and materials are used: paper and envelope, pen, ink, blotter, and typewriter. A few cents saved in buying a cheap quality of these tools and materials gives an unfavorable impression of the user.

The choice of paper is important as regards quality, color, size, and shape. Heavyweight bond paper should be used; white is always in good taste, although a few business firms use a colored paper appropriate to their business. The standard size of letter paper is $8\frac{1}{2} \times 11$ inches. Envelopes should match exactly the quality and color of the paper, and should be of a size to fit the folded letter, the standard size being $3\frac{1}{2} \times 6\frac{1}{2}$ inches.

Steel pens of a size and with a point suited to the user are better than tin or aluminum ones, and better than even the best fountain pens.

Ink of good quality is necessary to good pen work, a black or strong blue color being preferable.

A blotter, ample in size and having good absorbent qualities, should be kept under the hand while one is writing.

If a typewriter is used, it should be in condition to render good mechanical writing. Nothing gives a worse impression than a typewritten letter with letters out of place, faintly impressed, or else missing altogether. A black typewriter ribbon is always proper with any kind of paper.

It must be remembered that good tools alone cannot produce a good letter; they contribute only to the extent that they are used with careful thought.

447. Parts of a Letter. The parts necessary to a correctly written business letter are as follows:

1. **Heading**—date and statement of place from which the letter is written.

2. **Inside Address**—statement of name (and sometimes of office) and address of person to whom the letter is written.

576 Madison Avenue
Glendale, California
April 25, 19

The Goodman Stores Co.,
728 Main Street
Glendale, Calif.

Gentlemen:

I am looking for work in a store during the coming summer vacation period. During the last two summers, I have worked for the Model Store, but this firm recently moved to Pasadena.

While working for the Model, I obtained valuable experience in selling, wrapping, packing, and delivering. I also made collections of overdue accounts, at which work, Mr. Becker, the manager, said I was unusually successful.

My ambition is to learn the grocery business thoroughly and to become an expert salesman, which means more to me than immediate salary. The Model paid me \$20⁰⁰ a week.

On another page I am giving you references and other facts concerning my age and education. I should like to have an interview with you, if possible. My telephone number is Westmore 5264.

Yours truly,
Daniel W. Meub

(1) _____ (11)

(2) _____

(3) _____

(4) _____

(5) _____

(12) (6) _____ (12)

(7) _____

(8) _____

(9) _____

(10) _____

(11)

KEY TO MODEL LETTER

1. Heading. 2. Date. 3. Inside Address. 4. Salutation—written flush with left-hand margin. 5. Beginning paragraph of body of letter—indented one inch. 6. Second paragraph—indented one inch. 7. Third paragraph—indented one inch. 8. Complimentary Close. 9. Signature. 10. Initials of dictator and of stenographer; notations of enclosures. 11. Margins—a little more space at bottom than at top of letter. 12. Margins—same at left and right sides of letter.

3. Salutation—introductory words, as “Dear Sir.”
4. Body—content of letter; it may consist of one or more paragraphs.
5. Complimentary Close—concluding words, as “Yours truly.”
6. Signature—name of writer.
7. Addressing the envelope.

Proper arrangement of these parts—equal margins at the right and left sides of the letter, as well as at the top and bottom, are important in the average letter of a business nature.

Equally important is the matter of addressing the envelope to correspond with the inside address. The address on the envelope should be written nearer the bottom of the envelope than the top to prevent its being obscured by the post-office stamp-canceling machine. If the name and address of the sender are not printed on the upper left-hand corner of the envelope, it is well to write such information there. In the event of failure, for some reason or other, on the part of the post office to deliver the letter to the person indicated, the letter will be returned to the writer.

448. The Heading. The first part of a correctly written letter is the heading. If the names of the city and state are included in the printing of the letterhead, then all one has to do is to fill in the date. It should be written on one line, thus:

July 6, 1936

It is better to omit the ordinal endings, “st,” “nd,” “rd,” “th,” after the day of the month. Write “July 6,” not “July 6th.” If the letterhead is not printed, three lines may be written, thus:

1255 South Wabash Avenue
Chicago, Illinois
July 6, 1936

449. Inside Address. The complete name and address of the addressee should be written as indicated in illustration of the model letter, shown on page 472. Spell the address out in full, using abbreviations only when space is limited. Names

of cities should never be abbreviated. Care should be taken to have the initials and the spelling of the addressee's name correct. Most authorities agree that only one title should be used in the address of an official, as:

Mr. John Doe or John Doe, Esq.
but *not*
Mr. John Doe, Esq.

However, a second title may be used when it is descriptive of a position held, as:

Mr. Charles G. Langdon, President.

A firm or partnership, the title of which is made up of the names of two or more individuals, is properly addressed:

Messrs.¹ Brown, Scott, and Smith

A letter to two unmarried women should be addressed:

The Misses Scott
or

The Misses Brown and Meyers

Two married women should be addressed:

Mmes.² Brown and Meyers

In a letter of friendship, the inside address may be placed at the close of the letter at the left of the page. When this form is used, it should not appear at the beginning of the letter. The inside address may be indented or written in block formation, according to individual preference.

EXAMPLE:

Indented
Henry Williams Company
220 Fifth Avenue
New York City

Block
Henry Williams Company
220 Fifth Avenue
New York City

450. The Salutation. The salutation *My dear* —— is generally more formal than that of *Dear* —— . When

¹ Messieurs: Plural of French word, Monsieur, which is equivalent to our word, Mister. Curiously enough the English uses the French plural when addressing more than one man.

² Mesdames: Plural of Madam.

addressing firms composed of men or of both men and women, the salutation *Gentlemen* is correct. The majority of business firms no longer use *Dear Sirs*. The formal salutation when addressing a woman, either married or unmarried, is *Dear Madam*, although business houses prefer to address customers as *Dear Mr., Mrs., or Miss Scott*. When two or more women are addressed, the salutation *Ladies* is used, and it is not preceded by *Dear* or *My dear*.

Proper salutations for business letters are:

Dear Sir:
Gentlemen:
My dear Mr. Goodman:
Dear Mr. Scott:

Dear Madam:
Ladies:
My dear Mrs. Goodman:
Dear Miss Scott:

If a letter is sent to a firm, and the special attention of one of the members is desired, the following forms are correct:

Block

Messrs. Wise, Jones & Hines
324 Atlantic Boulevard
Chicago, Illinois

Indented

Messrs. Wise, Jones & Hines
324 Atlantic Boulevard
Chicago, Illinois

Attention: Mr. Joseph Wise

Gentlemen:

451. Body and Form. The body of the letter is begun two spaces down from the salutation, never on the same line with it. The first line of each paragraph should be indented five or ten spaces. In the case of a quotation or a list of items, the material should be indented five spaces, or one-half inch. Many firms do not indent their letters but use the block form of paragraphing, which is correct and gives a uniform appearance to a letter. In this form the paragraph is begun flush with the margin at the left of the letter.

The function of any paragraph is to make clear the thought of the writer. Every letter is written about a special subject which often may be so large that it becomes necessary to divide it into sub-subjects, each one needing at least a paragraph of discussion. Not more than one topic should be included in a single paragraph. As a rule, the paragraphs of

a letter should not contain more than a dozen lines. Generally, most business letters should be single-spaced, with a double space between paragraphs. A direct quotation is paragraphed separately.

In a business letter, the writing should be on one side of the sheet only. When more than one page is needed for a letter, blank sheets (not letterheads) should be used, and the pages should be numbered consecutively. After the first sheet, it is advisable to write the name of the person to whom the letter is being sent at the top of the page, followed by the page number. Thus, should the sheets become separated, it will be an easy matter to identify them.

452. Margins. The right and left margins of a letter should be the same, as nearly as possible. Care should be taken in the division of words at the end of a line because uneven lines mar the appearance of a page. Short letters should be carefully centered on the sheet. In dividing a word at the end of a line, the hyphen should be placed at the end of that same line, and not at the beginning of the following line; the separation of a word is always made between syllables.

453. Punctuation. Punctuation marks set off the thoughts of the letter, just as the paragraphs set off the topics of the letter. In general, business letters should be composed of short, simple sentences which need few punctuation marks to make clear their meaning.

A comma should be placed between the city and the state in the address, between the day of the month and the year, after the salutation in personal letters, and after the complimentary close.

The colon is used after the salutation in business letters; the use of the dash or of the colon and the dash is never correct punctuation following the salutation.

EXAMPLE:

Gentlemen:

not

Gentlemen:—

Gentlemen—

Quotation marks are used whenever there is stated a direct quotation, thus: Emerson said, "Money is of no value; it cannot spend itself. All depends on the skill of the spender."

Periods should be placed after all abbreviations.

A request that is made in the form of a question always takes a period, as: "Will you please let us hear from you soon."

454. Capitalization. Only the first word of the complimentary close is capitalized. The names of commodities need not be capitalized unless one is referring to a special kind of commodity, as, for example, Sunshine Butter. Common nouns, such as office, bank, employee, department, etc., should not be written with a capital letter. When a common noun, however, becomes a proper name or a part of a proper name, it may be capitalized; for example: "I have visited all departments, including the Insurance Department." Names of important groups, such as the Board of Directors or the Loan Committee, may begin with capital letters. The title of an official should be written with a capital letter, thus: "I have referred the papers to the President."

455. The Use of Numerals. Instead of spelling out dates, house numbers, or page numbers, it is better to use numerals. The house number does not need to be preceded by the number sign (#). Note the following examples:

September 3, 1936

not

September third, Nineteen thirty-six

See page 36.

not

See page thirty-six.

He lives at 20 Elm Street.

not

He lives at twenty Elm Street.

He lives at #20 Elm Street.

To designate a sum of money amounting to dollars and cents, use the dollar sign (\$) and the figures, for example:

\$5.80

For amounts under one dollar it is better to write out the cents, as:

fifty cents
not
\$.50

Avoid writing numerals at the beginning of a sentence; recast the sentence, thus:

The year of 1492 was an eventful year.
not
1492 was an eventful year.

456. Complimentary Close. The complimentary close is placed two spaces, or about one-fourth of an inch, below the last line of the body of the letter. The complimentary close of a business letter is usually:

Yours very truly,
Very truly yours,

If one desires to show a more friendly spirit, *Sincerely yours* would be used. Do not omit the word *yours* from the complimentary close. Only the first word of the complimentary close is written with a capital letter. Proper complimentary closes for business letters are:

Yours very truly,
Yours sincerely,

Cordially yours,
Sincerely yours,

Proper complimentary closes for government, school, and college officials, and for professional men and women are:

Yours respectfully,

Respectfully yours,

457. The Signature. The signature is placed two spaces, or about half an inch, below the complimentary close and near the right-hand margin of the letter. In business letters, a

woman should always indicate in parentheses whether she is *Miss* or *Mrs.* when she signs her name, as:

(*Miss*) Doris Deene.

Be sure to sign your name to your letters. It is surprising how many letters business firms receive daily from individuals who fail to sign their names.

458. Some Expressions Common to Letters. The following expressions show what is right and what is wrong in referring to a letter that is being answered:

1. A necessary word should never be omitted.

Your letter of May 5

not

Yours of May 5

2. The use of the adjective *same* for the pronoun *it* is to be avoided.

We have examined the article and are enclosing it.

not

We have examined the article and are enclosing same.

3. *Per* is Latin and is correct in Latin phrases that have come to be commonly used in the English language, such as:

per centum

per cent

per diem

per annum

Per should not be used in connection with a word not of the Latin; for example:

Never say:

A dollar per yard.

A dollar per day.

Say:

A dollar a yard.

A dollar a day.

4. The expression *as per your request* or *as per your letter* is to be avoided; use *according to*. It is better to write:

Will you please than just *Please*.

We enclose than *Find enclosed*.

5. Avoid using *etc.* because it is incomplete and leaves too much to the reader's imagination. Use instead a definite term, such as:

We are mailing you the catalog, price list, and circular.

not

We are mailing you the catalog, etc.

6. It is permissible to begin a letter with the pronoun *I*, contrary to the many rules which have frightened people into not using it. In many instances its use is necessary for clearness and the avoidance of awkwardness; for example:

I have received your letter of May 10.

I will carry out your plans.

not

Received your letter of May 10.

Will carry out your plans.

7. The opportunity of closing the letter in an effective way is weakened by the use of any of the participial phrases, such as:

Hoping to hear from you soon,

Trusting this will meet with your approval,

It is better to use the positive form:

Will you please let us hear from you soon.

We hope that this will meet with your approval.

If the closing clause has no meaning, it is better to omit such an expression because it is only an awkward way of saying "good-by."

459. Points to Observe in Writing Effective Letters:

1. Avoid opening a letter with a dull and uninteresting sentence. Remember that the first line in the letter is like the headline in a newspaper.

2. Avoid writing a letter while you are in a bad humor.

3. Avoid writing a letter on scraps of paper or on ruled paper.

4. Avoid using unmatched paper and envelopes.

5. Avoid writing a reply on a letter which has been received.

6. Avoid in social correspondence the typewriting of an invitation, an acceptance, or a regret.

7. Avoid sending a letter with a blot or a finger mark on it.

8. Avoid folding a letter more times than necessary.

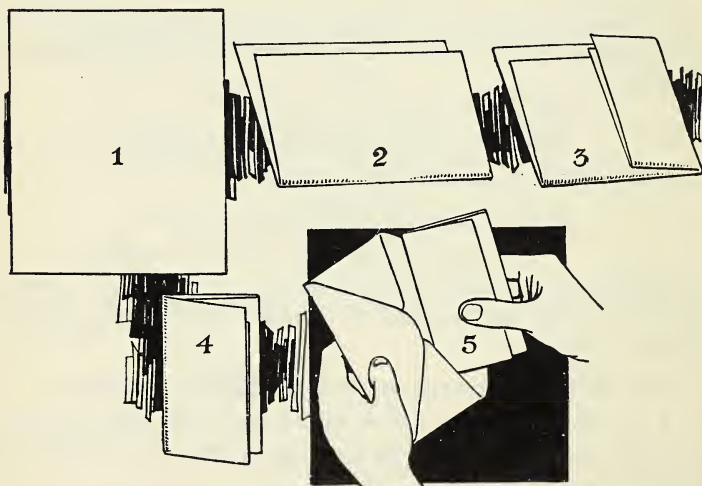
9. Avoid signing your name with typewriter or rubber stamp; one's name should be written by hand.

10. Avoid overcapitalization; it is better to underline for emphasis.

11. Avoid postscripts.

12. Avoid writing with a pencil.

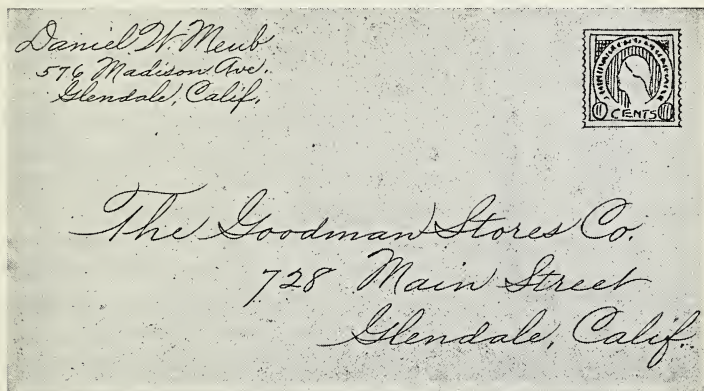
460. **Folding the Letter.** Folding the letter to insert in the envelope can be illustrated best by diagram, as follows:



FOLDING LETTERS AND INSERTING IN ENVELOPES

Letterhead (see Figure 1). Fold from lower end of letterhead upward to within a half inch of the top edge of the paper (see Fig. 2); fold from right to left, making the fold about one-third the width of the sheet; fold from left to right, making the fold less than a third of the width of the sheet and leaving a half-inch margin in order that the letter may be easily opened. (See Figs. 3 and 4.)

461. **Folding the Letter for Insertion in a Long Envelope.** In preparing a letter for insertion in a long envelope, fold the letter upward from the lower edge to one-third the length of the sheet. Then fold the top edge over to within one-fourth inch of the first fold. Insert in the envelope with the top edge of sheet toward the opening.



A well-addressed envelope. Many persons write the address too high on the envelope.

THE POST OFFICE—Unit 2

462. **Post-Office Services.** Of the several agencies which we may use for communicating with each other, the post office serves the needs of by far the greatest number of people. For a few cents we can have our written message delivered anywhere in the United States within reach of a post office, and this means nearly every place in the mountains or on the desert. For a few extra cents, our message will be taken to any part of the world. The post offices have many services to offer to every citizen; and since every citizen has to pay, directly or indirectly, the cost of maintaining these services, he should learn how to make the greatest use of them.

463. Classes of Mail. All matter deposited in the mails for local delivery or for transmission from one place to another within the limits of the United States, including Alaska, Hawaii, the Panama Canal Zone, and the Philippine Islands, is divided into four classes, as follows:



Be sure your letters are properly addressed, sealed, and stamped before dropping them into a mailbox.

First class—written matter; matter sealed against inspection; postal cards; private mailing cards.

Second class—periodical publications—magazines and newspapers.

Third class—merchandise; printed matter; other mailable matter not of the first or the second class, not exceeding eight ounces in weight.

Fourth class (parcel post)—merchandise; printed matter; other mailable matter not of the first or the second class, exceeding eight ounces in weight.

A discussion of third and fourth-class mail matter will be found in the chapter, *Shipping Services*.

464. Description of First-Class Mail. Anything, sealed or unsealed, which contains handwriting is considered as first-class mail. This includes letters, postal cards, post cards, and private mailing cards. Typewritten, carbon, and letterpress copies are considered the same as handwritten. Postal cards are printed only by the government, and they sell for one cent each, no charge being made for the card itself. Post cards may be printed by anyone, and if they are the approximate size of postal cards, they may be mailed for one cent.

465. Postage Must Be Prepaid. Prepayment of postage on letters by affixing stamps before mailing is required. Exceptions to this ruling are made with business-reply cards or letters in business-reply envelopes, either of which may be mailed without prepayment of postage, the regular postage plus one cent being collected on delivery. When a piece of

mail reaches an addressee without the postage having been fully prepaid, the required amount of postage due is collected of the addressee on delivery, and must be paid in cash.

466. Unmailable Matter. Included in matter which is not admissible to the United States mails are: all matter illegibly, incorrectly, or insufficiently addressed; all matter exceeding the limit of the weight or size prescribed by law; all matter harmful in its nature, such as poisons, explosives, or corrosive articles; matches; live animals, fowls, insects, and reptiles; any articles exhaling a bad odor; and wines and liquors. All obscene, indecent matter is prohibited by law from being put into the mails. Dunning postal cards which are intended to reflect injuriously upon the character or conduct of a person will not be carried in the mails; neither will they be delivered from any post office nor by any letter carrier. This does not include cards that bear respectful requests for the settlement of current accounts, or cards that give notice when an account, paper, assessment, taxes, gas bills, etc., will be due. Such cards are regarded as mailable. All matter concerning any lottery, so-called gift concert, or any other enterprise of chance, and all schemes devised for the purpose of obtaining money or property under false pretenses are barred from the mails.

467. Addressing Mail Matter. Because of carelessness in addressing and preparing matter for mailing, or because of failure on the part of the sender to place his own name and address on it, millions of letters and other pieces of mail which cannot be delivered or returned to the sender are sent each year to the dead-letter office. A fee of three cents is charged for the return of undeliverable letters to senders from the dead-letter office, but letters bearing the address of the sender are returned without additional charge.

The Post Office Department gives the following advice in regard to addressing mail matter:

“Write plainly the name of the person addressed, the street and number or the number of the post-office box or of the rural

route, and the name of the post office and the name of the state in full. When the name of the state is abbreviated, frequently *Va.* and *Pa.*, *Md.* and *Ind.*, *Colo.* and *Calif.*, *Miss.* and *Minn.*, and other similar ones are confused, and the mail is missent; for in many instances post-office names are duplicated in several different states. Do not abbreviate or use lead pencil. The words *Personal*, or *Deliver to addressee only*, are of no value in the delivery of any but registered, insured, or C.O.D. mail."

468. Return Cards. The sender's name and complete address *must* be placed on all fourth-class, or parcel-post mail, and on all registered mail; and the name *should* be placed on all other mail in the upper left corner on the *face* of the envelope or wrapper, and *not on the back*. A return request should not specify a number of days fewer than three or more than thirty. Letters mailed in hotel envelopes which do not have the writer's name on the outside will not be returned. This rule also applies to club, school, college, or other public institution envelopes.

After 5 days return to
JOHN C. SMITH
Rural Route No. 1, Box 74
Wilkesville, N. Y.

STAMP

Mr. Henry Brown,
24789 Alaska Ave.,
Chicago,
Illinois.

Letters and other mail of the first class prepaid at the regular rate, and postal cards and post cards for local delivery will be returned to the sender without additional postage, provided that such mail bears the name and address of the sender.

469. Forwarding of Mail. A person desiring to have his mail forwarded should file with the postmaster at the office of address a request in writing, giving his present address, the full address to which mail is to be forwarded, and specific information as to the time during which the order is to be observed. An unlimited order affecting general-delivery mail at a city-carrier post office expires at the end of thirty days unless it is renewed. Only first-class mail may be forwarded from one post office to another without an additional payment of postage. This includes letters and other first-class matter prepaid at the full rate of three cents, and postal cards, post cards, and private mailing cards. Official matter may also be forwarded free of postage.

470. Redemption of Postage Stamps and Postal Cards. Adhesive (gummed) postage stamps held by the public will not be redeemed or exchanged by the government. Stamped envelopes spoiled in addressing are redeemable at postage value if presented at the post office in a substantially whole condition; and un mutilated (whole) postal cards are redeemable at seventy-five per cent of their face value; provided, that the stamped envelopes or the postal cards bear printed matter identifying the original purchaser and are redeemed from such persons only. Stamps cut from embossed envelopes, newspaper wrappers, or postal cards are not good for postage.

471. Special-Delivery Service. Special-delivery service is the prompt handling, transportation, and delivery of mail by messenger during certain hours. Special-delivery stamps may be obtained at any post office, but ordinary stamps amounting to the prescribed fees may be used. When ordinary stamps are used, the words "Special Delivery" must be placed on the envelope or wrapper directly *below*, but *never on* the stamps.

The affixing of special-delivery postage at the required rate means immediate delivery of the mail, upon arrival at the post-office destination, between the hours of 7 A.M. and 11 P.M. at city delivery offices, and from 7 A.M. to 7 P.M. at all other offices. Special-delivery matter of all classes, including registered and insured mail, will be delivered on Sundays and holidays at all post offices of the first and second classes receiving mail on that day.

472. Registered Mail. Any matter on which first-class postage is paid may be registered at the post office or by city and rural carriers. The safe delivery of registered mail is guaranteed by the government, and indemnity to the amount of \$1,000 may be collected if such registered mail is lost.

A receipt is given to the sender for each article registered. A receipt showing delivery is returned to the sender if he marks the envelope or wrapper, "Return receipt requested," and pays the required fee for such receipt. The fee for registering an article not exceeding \$50 in value is fifteen cents; for registering an article not exceeding \$100 in value, the fee is twenty cents. The sender may restrict delivery of registered mail by indorsing the address side, "Deliver to addressee only." Registered mail, the delivery of which has not been restricted by the sender or the addressee, is deliverable without a written order to any responsible person to whom the addressee's mail is customarily delivered.

473. Recovering a Letter Already Mailed. When you are sorry you have mailed a letter, address a second envelope, the duplicate of the first, and rush it to your postmaster, who will give you Form 1509 to fill in. Your duplicate is required for identification. The post office gets in touch with the station to which your first letter has been sent and with the carrier who would naturally deliver it. Letters to distant points are stopped by telegraph. The sender must pay the cost of the telegram, but there is no charge for recovering letters caught at the station of mailing or within the city.

474. Getting a Person's Address. There is now a way to get from the post office the new address of a person whom you wish to locate—for instance, a person who has skipped out of town owing you money. Post-office rules have always forbidden giving out a person's address, but there is no rule to prevent your sending a letter by registered mail to a person's former address and requesting a return receipt showing the address to which the letter was delivered. This costs twenty cents more than the ordinary return-receipt for registered mail, but it may be well worth the money.

475. Letters to Everybody. By a recent order of the Postmaster General, one may now send advertising matter to every household on a letter carrier's route. All that is necessary is to have imprinted on the advertising matter *Householder (or Patron) Local* and the street address. No individual name for each mailing piece is necessary. Uncle Sam's carriers will deliver one of your mailing pieces to every stop on their routes. As third-class matter, it may be mailed under the regular third-class rates, prepaid by permit or precanceled stamps. (Stamps bought in large quantities may be precanceled by the postmaster at the time of purchase, thus saving the running of letters through a canceling machine when they are mailed.) Lists of the number of deliveries on each route and other information one may need are available at the post office.

476. Rural-Delivery Service. Mail is delivered by rural carriers to any persons (except those residing within the city-delivery limits of cities where city-delivery service is in operation, or within the village-delivery limits of cities, towns, or villages where village-delivery service is in operation) who provide approved boxes and erect them on the line of travel of the carriers in the manner prescribed by the Post Office Department.

477. Location of the Boxes of Rural Patrons. It is a requirement of the department that the mailboxes provided by rural

patrons shall be so placed that they may be conveniently served by the carriers without dismounting from their conveyances: the boxes shall be located on the right-hand side of the road in the direction of travel of the carriers in all cases where the traffic conditions are such as would make it dangerous for the carriers to drive to the left in order to reach the boxes, or in case their so driving would constitute a violation of traffic laws or regulations. On new routes all boxes must be located on the right-hand side of the road in the direction of the carrier's travel.

478. Drop Letters. Letters destined for delivery within the limits of the office where they are mailed, including rural free routes, are referred to as drop letters. Such letters require less postage than letters for out-of-town. In small towns having no free delivery, drop letters cost only one cent an ounce. Many persons lose money by putting full-rate postage on drop letters.

479. Air Mail. With rates but a little higher than those of ordinary mail, there is a rapidly growing use of air mail and a decreasing need for telephoning or telegraphing long distances. Most cities in this country can now be reached by air mail overnight. In many cases an air-mail letter will reach a person or firm about as quickly as a Night Message or a Night Letter by telegraph. By affixing a special delivery-stamp in addition to the air-mail postage, prompt delivery is assured at the office of address. Such mail should be indorsed "Special Delivery," as well as "Via Air Mail." Special air-mail stamps are issued for the payment of postage on air mail, but ordinary stamps may be used. The words, "Via Air Mail," should be conspicuously indorsed in the space immediately below the stamps and directly above the address. Undeliverable air mail will not be returned to the sender by airplane, but it will be returned through the regular mails.

Any mailable matter, except perishable matter liable to damage by freezing, may be sent by air mail. Packages must not exceed 50 pounds in weight or 84 inches in length and

girth combined. Air mail may be registered or sent Special Delivery, the limit of indemnity by the Post Office Department for registered mail being \$1,000. Packages by air mail may also be sent C.O.D. and insured, the limit of insurance indemnity being \$100. Rates on mail matter other than first-class are subject to frequent changes. It is advisable to get the latest schedules from the post office.

480. Abstract of Laws—United States Postal Service. The United States postal service is unrelenting in the punishment of those persons who violate the postal laws. Post-office inspectors seldom fail to apprehend anyone guilty of violating these laws, and the punishment is sure and severe.

SECTION 194

Section 194 of the Penal Code provides for the following: Whoever shall steal, take or abstract, or by fraud obtain use of any mail from an authorized depository, or from a carrier before it has been delivered to the person to whom it was directed, with the desire to obstruct the correspondence or pry into the business of anyone else, shall be fined not more than \$2,000, or imprisoned for five years, or both.

SECTION 198

Whoever shall willfully injure, tear down, or destroy any mailbox or other receptacle established for the safe deposit for the mail or for delivery, or for the receipt of mail matter on any rural free delivery route, or shall break open same or injure or deface any mail matter deposited in such box, or maliciously assault any letter or mail carrier while he is engaged on his route in the discharge of his duty, shall be fined not more than \$1,000, or imprisoned for not more than three years, or both.

SECTION 205

Whoever shall use or attempt to use in payment of postage any canceled postage stamp or shall remove a canceling or defacing mark from a postage stamp which has once been used in payment of postage, with intent to use the same for a letter postage, shall be fined not more than \$500, or imprisoned for not more than one year, or both.

SECTION 211

Any obscene or filthy book, pamphlet, picture, letter, print, paper, or other publication of indecent character, shall not be conveyed in the mails or delivered by any post office or delivered by any mail carrier. Whoever shall knowingly deposit for mailing or delivering anything of this nature shall be fined not more than \$5,000, or imprisoned for not more than five years, or both.

SECTION 212

All matter otherwise mailable by law, upon the envelope or outside cover of the wrapper or upon any post card on which appear any epithets, terms, or language of an obscene, libelous or threatening character, or calculated by the terms or manner or style, to reflect injury upon the character or conduct of another, is hereby declared not mailable matter. Whoever shall deposit such matter for mail or delivery shall be fined not more than \$5,000, or imprisoned for not more than five years, or both.

SECTION 213

No letter, package, post card, or circular concerning any lottery or similar scheme for obtaining prizes dependent upon lottery or chance shall be deposited in or carried by the mails of the United States. Whoever shall knowingly deposit such material shall be fined not more than \$1,000, or imprisoned for not more than two years, or both.

SECTION 216

Whoever, for the purpose of conducting, promoting, or carrying on in any manner, by means of the post office established by the United States, shall use or assume or request any fictitious or assumed title or address other than his own proper name or shall take a receipt from the United States for any letter, package, post card or other mail addressed to such fictitious or false name, shall be punished by a fine of not more than \$1,000, or imprisoned for not more than five years, or both.

SECTION 217

All kinds of poison and other articles and compositions containing poison, insects, reptiles, explosives, and all kinds of inflammable materials which might kill or in any way injure or hurt the mails or other property, whether sealed as first class or not, are hereby declared to be non-mailable matter. Whoever shall knowingly deposit such matter for mailing or delivery shall be fined not more than \$5,000, or imprisoned for not more than ten years, or both.

SECTION 218

Whoever shall falsely alter or assist in altering any money order, or forge another's name to a money order, shall be fined not more than \$5,000, or imprisoned for not more than five years, or both.

SECTION 221

Whoever shall knowingly conceal or enclose any matter of a higher class in that of a lower class and deposit it in the mail at a less rate than that of a lower class matter, shall be fined not more than \$100.

SECTION 224

Whoever shall make any claim or application for indemnity for the loss of a letter, package, parcel, or other mail, knowing such claim to be false, fictitious or fraudulent, for the purpose of obtaining payment therefor, shall be fined not more than \$500, or imprisoned not more than one year, or both.

481. Differences in Time Important. Before going further into the study of communication, it is necessary to learn that the time of the day or night as shown by the clock is not identical throughout the United States at any given moment. While a football game is being played in the bright sunshine on the Pacific Coast, many people on the Atlantic Coast have retired for the night. Pupils in school on the Atlantic Coast have half their day's work done before pupils on the Pacific Coast are out of bed in the morning.

482. Differences in Time. Until about fifty years ago, time was reckoned by the sun. Clocks were set at twelve, noon, when the sun was exactly over the meridian of each locality.

Navigators reckoned their time by the sun, and their calendars by those of their country. Each country had its own system of counting time. Navigators found that in traveling west, one gains a day on the sun, but loses a day to the calendar upon circumnavigating the globe; and they found the reverse to be true when traveling east.

With the settlement of the Western Hemisphere and the beginning of extensive ocean commerce, particularly in the waters of the Pacific, sailors began the custom of adding or dropping a day from their calendar as they crossed the meridian 180, probably because it was half way around the world from Greenwich, England, which is designated as 0.



Don't forget the differences in time when trying to tune in the radio on a distant station, or in sending messages across the country.

Railroads had not been operating in America very long before they encountered great confusion resulting from differences in reckoning time. A system of standard time became a necessity. Most of the roads set their time by that of the large cities through which they passed. This was very confusing because of the number of roads. At one time there were more than seventy-five different kinds of railway time. Dr. Charles

F. Dowd, an obscure schoolmaster, realizing the need for a standard time, worked out a plan which he presented before a convention of railroad officials in 1869. Mr. Dowd worked for twelve years to have his plan adopted, and it was finally put into practice in 1883. Under the standard plan the United States is divided into four zones, or time areas. The zones each represent roughly fifteen degrees of longitude, with variations that take account of local conditions. From east to west the time is one hour earlier in each successive zone. When it is three P.M. in the Eastern Zone, it is two P.M. by Central Time, one P.M. by Mountain Time, and twelve, noon, by Pacific Time.

THE TELEPHONE—Unit 3

483. **The Telephone and Its Uses.** Next to the automobile, the telephone is perhaps the most commonly used of all modern inventions. A telephone in the home is now considered almost a necessity for the American standard of living. Even in those homes where the telephone is looked upon as a luxury there are times, such as when the police, fire department, or doctor may be needed in a hurry, that the telephone shifts from being a luxury to a necessity. There are now more than seventeen million telephones in the United States, and their location is such that we can talk over those telephones to nearly anyone in the whole country. In addition, we can, if we have occasion to do so, be connected with any one of more than thirteen and one-half million foreign telephones. This means that we can reach more than ninety-three per cent of all the telephones in the world. Within reach of our voice at the present time are all the important parts of Canada, Cuba, Mexico, Great Britain, Ireland, France, Germany, Spain, Belgium, Holland, Switzerland, Denmark, Sweden, Hungary, Austria, Czechoslovakia, Hawaii, Philippine Islands, Japan, Siam, Java, Australia, South Africa, Central America, South

America, Egypt, Turkey, Palestine, India, and Italy; in other words, we can telephone to all of the principal countries of the world excepting Russia, China, and New Zealand.

484. Using the Telephone Properly. There are a few things to be learned in order that we may get the best service from any invention, and this is especially true of the telephone. As with any other instrument, there is a right and a wrong way of using the telephone. Many persons telephone for years without learning some of the most essential rules regarding the practice. The first essential is to talk directly into the mouthpiece of the instrument—never with the head turned to one side or with the chin buried in the collar. Neither should one try to talk with a pencil or any other article in the mouth. Clear speech is most important. Nothing is more provoking to the listener than to have someone mumble off sentences that require repeating again and again.

485. Answering the Telephone. If someone knocks at your door, you open it for him as soon as possible. When a person rings your telephone bell, he expects you to answer it just as promptly. This is the first step in telephone courtesy. It is rude to the one calling for you to finish what you may be doing before answering, and nothing is more irritating to others in the house or office than a continuous jangling of the telephone bell. In a business office, careless, uninterested answering of the telephone conveys the impression that the firm's business methods are equally careless and uninterested—it actually discourages callers. It is a pleasure to call an office and have the telephone answered in a snappy, not a snappish, pleasant voice, giving the name of the company or the telephone number, thus informing you immediately with whom you are in touch.

486. The Voice Over the Telephone. Let your voice show that you are pleased to have that person call; that you appreciate his interest in your company or employer. If he did not have that interest, he would have called one of your competi-

tors. If you regard every telephone call as a troublesome interruption, your voice will convey this to the person calling, just as your facial expression will if you angrily rise out of your chair because you consider it a bother to open the door for a caller.



Speaking directly into the mouthpiece with a pleasant tone of voice always makes a favorable impression on the listener.

Sprinkle all of your telephone conversations with courteous phrases, such as "Yes, sir," "Thank you," and "If you please." They all help the growth of good business. In social life "A man is judged by the company he keeps," but in business the old saying is turned around to "A company is judged by the man it keeps." Say "Good-by," at the end of your

conversation; then the one who has called will not think that he has been cut off or that you put up the receiver before he had finished talking.

487. Using the Telephone Directory. A directory containing the names, addresses, and telephone numbers of all subscribers is furnished free by the company for each telephone in use. These directories are the property of the telephone company and must be surrendered when requested. The names of the telephone subscribers are listed alphabetically in the directory according to the surname or the first word in firm names. In the last pages of the directory, usually printed on differently colored paper, is the classified section in which are listed the various businesses and professional persons according to occupations. In using the directory, it is well to remember that names which sound alike may be spelled differently; therefore look under other possible spellings if the name you wish is not found at once. Names beginning with "Mc," "Mac," or with prefixes, such as "La," "Von," or "Von Der," are indexed as whole words without regard to capitalization or apostrophes. Firm names, such as "Smith, Jones & Brown Company," will be found under "Smith," following the initial "J." If the names are joined by the conjunction "&," such as "Smith & Jones," the listing will appear under "Smith," following the initial "J" as though the "and" were not there. The word "The" in a firm's name always appears last.

488. The Classified Section. In a large city directory, much time may be saved by referring to the classified section when looking for the telephone number of a professional man or firm. Some firms have in addition to their telephone number, a short description of the type of work which they are equipped to do. For example, should we wish to locate a firm making a certain kind of paper box, it would save us time to turn to the classified section and see which firms specialize in candy boxes, and which ones make principally large corrugated boxes. The classified section makes an excellent advertising medium because many people look in this part of

the telephone directory for persons or firms to serve their needs.

489. Two Types of Telephones. There are two general systems for rendering telephone service. The first, and the older of the two, is the manual system, which makes use of switchboards operated by young women. The second is the automatic or dial system, by which the caller makes his own connection at the central switchboard by dialing certain numbers on his own telephone. With the manual system, which is now found only in smaller cities, the caller removes the ear phone from its hook and gets a cheery "Number, please," as a response from the central operator.

Here is a guide for giving numbers to the operator:

0300—"Oh, Three-Hundred."
12881—"One Two Eight-Eight One."
1708—"One Seven-Oh Eight."
4800—"Four Eight-Hundred."
5000—"Five-Thousand."

490. Listen for Signals. After placing a call, listen for the ringing signal, busy signal, or report from the operator. Do not abandon the call until the party called has had a reasonable time in which to answer. The ringing signal is a burring sound heard at regular intervals. The busy signal is a buzz-buzz sound. When you hear the busy signal, replace the receiver and call later. When answering your own telephone, time will be saved if you give your own number or name immediately.

491. Operating the Dial Telephone. *In operating the dial telephone, there are four things to do.* Suppose you want to call "TRinity 4612":

1. Lift the receiver to your ear. You should hear the dial tone—a steady humming sound. Keep the receiver off the hook.

2. Place finger in opening where you see the letter "T."

3. Pull dial around until finger strikes the stop. Remove finger and let dial return.

4. Do the same with the letter "R," then with the red numerals "4","6","1","2" respectively. When you have dialed these letters and figures, the bell of the telephone which you are calling should ring.

In dialing there are certain mistakes to avoid. Don't mistake the black letter "O" for the red "zero."

Don't mistake the black letter "L" for the red numeral "1."

Don't touch the dial after you have dialed your number or while it is returning to normal position.

Other details to observe when dialing are: If before you finish dialing, you find that you have made an error, or if your finger slips out of the hole while dialing, replace the receiver for a few seconds before making another attempt.

If during dialing or upon completion of dialing, a sound similar to the busy signal is heard, a mistake has occurred on the call. Verify the number with the latest directory or by calling "Information."

Don't move the dial while you are talking; it may break the connection.

Don't attempt to dial out-of-town numbers on your telephone. Refer to the first pages of the telephone directory for instructions regarding the placing of inter-city calls.

To call another party on your own line, dial "Operator." When the operator answers, give her the telephone number desired and tell her you are calling another party on your line. She will ask you to replace your receiver and will ring the station desired. When you think the other party has had time to answer, remove your receiver. If the other party has not answered, signal the operator by slowly moving the receiver hook up and down. When the operator answers, ask her to ring the number again.



Any child may easily learn to operate the dial telephone.

To call suburban-line subscribers, you contact an operator; for example, to call OXford 3300-J-3, dial the first two letters of the office name (in this case OX), the four figures immediately following the office name, the suffix letter (J), and the figure.

After dialing as directed above, you will be connected with an operator who will ask what number you are calling. Repeat the entire number which you desire, and the operator will complete the connection.

492. Avoiding Phonetic Errors in Telephoning Messages. In handling messages by telephone, it will be found helpful in the case of uncommon words, unusual names, code or cipher words, foreign words, and initials which are not easily understood, to pronounce each letter and follow it with an identifying word. For example, if the word "Sioux" cannot be understood, say "S as in sugar, I as in Ida, O as in Ocean, U as in Union, X as in X-ray." The following code is designed for this purpose:

A as in Adams	J as in John	S as in Sugar
B as in Boston	K as in King	T as in Thomas
C as in Chicago	L as in Lincoln	U as in Union
D as in Denver	M as in Mary	V as in Victor
E as in Edward	N as in New York	W as in William
F as in Frank	O as in Ocean	X as in X-ray
G as in George	P as in Peter	Y as in Young
H as in Henry	Q as in Queen	Z as in Zero
I as in Ida	R as in Robert	

493. Public Telephones. When you wish to use a public telephone, it is well to take the following precautions before depositing a coin:

1. On a dial telephone listen for the dial tone.
2. On a non-dial telephone listen to be sure that no one else is using the line.

No charge will be made on a local call which is not completed, or on a call for a number which has been changed, unless a connection is established to the new number. Always

report promptly service difficulties or requests for refunds to the operator. In case coins are collected in error, notify the operator promptly in order that proper adjustment may be made.



When a person uses a public pay station for long-distance telephone calls, he knows exactly what his conversation is costing him.

494. Out-of-Town Calls. Inter-city calls are classified under two heads, as follows:

Calls handled by the local operator (number service). This is a type of service for reaching out-of-town stations at near-by points. Number-service points are usually listed on the inside front cover of the directory. If you do not know the telephone number, consult the directory or call "Information." To place a number-service call, give your local operator the name of the city and the telephone number which you wish to call.

Calls handled by the long-distance operator. Determine whether station-to-station service or person-to-person service is desired. To assist you in deciding, these two types of service are explained below:

I. Station-to-station service: A station-to-station call is one on which you talk with anyone who answers at the called telephone. The following are the features of station-to-station calls:

1. They are completed more quickly.
2. The rates are less than on person-to-person calls.
3. There are no report charges on station-to-station calls. (An exception is a collect call on which the party at the called telephone refuses to pay the charges.)
4. Rates are reduced during the evening and night hours if the initial period rate exceeds 25 cents.
5. Charges begin when called telephone is answered.
6. Charges may be made collect without any change in rate when the rate is 25 cents or more. A slight additional charge is made when the original rate is less than 25 cents.

II. Person-to-person service: A person-to-person call is one on which you talk with a particular person (or private-branch exchange station) specified by you. The following are the features of person-to-person calls:

1. A three-minute period from start of conversation is allowed before overtime charges begin.
2. If the called telephone is reached by the operator but the call cannot be completed because the person desired is not available, a nominal report charge is made.
3. Charges may be made collect at no additional cost.
4. An appointment call, to be completed at a specified time, may be arranged for at a small additional charge.
5. A call requiring the use of messenger service may be arranged for at a small additional cost plus the charges for messenger service.

6. Long-distance calls made on Sunday now cost much less than on other days. For example, a person-to-person call between Denver and New York is \$5 on Sunday. On other days the cost is \$7.50.

Rates for both types of calls are usually found on the inside cover of the directory. For rates not listed, call the operator.

495. The Use of Party Lines. By using one telephone line for several subscribers, the expense to each is somewhat reduced, but at the same time some inconvenience must be expected. People who use the telephone mostly for visiting purposes should have a one-party line. Nothing is more vexatious to a person who is paying part of the expense of a two or four-party line than to find one subscriber monopolizing the line most of the time, especially when an urgent call is to be made. While it is not a breach of etiquette to ask a person who is just killing time on the telephone to relinquish it long enough for you to place an urgent call, certain types of people will be inclined to get saucy and claim that they have a right to talk as long as they wish. Party-line subscribers may be informed by means of a postal card of the number of the other station or stations on the line. When one using a party line wishes to talk to another party on the same line, it is necessary to call the operator. The operator will then make the connection.

496. Emergency Calls. There are times when it is inconvenient to look up a number in the directory, especially at night when prowlers may be around and the householder wishes to call the police without switching on a light. Even in the dark it is easy to locate the last opening in the dial and turn the dial around as far as it will go. The operator will respond and connect you quickly with the police, fire department, or ambulance.

497. Consumer Information. The growing number of services that everyone needs, together with the rising cost of living, makes it important that we avoid waste. Needless calls

on the telephone cause a great waste that is likely to be overlooked in the household. Business firms are very careful to see that a record is kept of all telephone calls, and that employees do not use the telephone for out-of-town calls when the mails would do just as well. Many persons who are charged for all calls above a certain number during a month should keep government postal cards beside the telephone to use when it is necessary to send a message requiring no answer.

In making toll calls, notify the operator as soon as you have finished speaking, or you may be charged for a longer time than you actually used.

498. Savings in Long-Distance Calls. The prices on long-distance calls are always quoted on a basis of three minutes. It is best to instruct the operator when you place your call to "cut in" half a minute before the time elapses and notify you; otherwise you may be surprised at the cost of your call when the bill comes in on a person-to-person call. Do your own timing from the moment that you begin the conversation until you end it; then report the time at once to the toll or long-distance operator. It has been found by experience that long-distance calls are less expensive when made at the regular pay stations than when made at home.

499. Hotel Telephone Service. In a hotel, a local call made from one's room usually costs ten cents. The same call made from a booth in the lobby may cost only five cents. Some hotels have been known to add several telephone calls to each customer's hotel bill just on general principles, and it is surprising how many persons will pay for these calls which they did not make. Sometimes the maids, in making up the rooms, make personal use of the telephone, and of course this amount is charged on the customer's bill.

THE TELEGRAPH—Unit 4

500. **Telegraph Services.** Another great communication system which stands ready in all parts of the world to serve us day and night, holidays and Sundays, is the telegraph. Every day it is carrying thousands of messages, many of a business nature, some of joy and happiness, others of sorrow and bereavement.

Every public utility is designed to serve a certain need, and each utility serves its particular need better than does any other utility. For this reason, the person who knows *when* to use each utility not only saves money but also gets the best service for his money. For sending messages rapidly to anyone in the United States, Canada, or Mexico at the least expense, the telegraph has no equal. There is scarcely a village or hamlet too small to maintain an office where a telegram may be dispatched. Whether a man is traveling on a train or in an airplane, he can send a message at any time or be reached with a message at any time.

The telegraph can render many other services which people often do not use because they do not know that such services are available. For these reasons the following pages describing telegraph services are of interest.

501. **Five Classes of Telegraph Service.** The sender of a message by telegraph should know which kind of service will answer his needs at the least cost, and he should indicate on the message blank the type of service he desires. A space is provided (as shown in illustration above) at the upper left-hand corner of sent-message blanks for senders to designate the class of service desired. The fastest service is referred to as the *Telegram*. During the night, messages may be sent at less cost, this service being referred to as the *Night Message*. Lengthy messages may be sent during the day at reduced

CLASS OF SERVICE DESIRED	
DOMESTIC	CABLE
TELEGRAM ☒	FULL RATE ☐
DAY LETTER ☐	CDE(CODE) ☐
SERIAL ☐	DEFERRED ☐
NIGHT MESSAGE ☐	NIGHT LETTER ☐
NIGHT LETTER ☐	SHIP RADIOGRAM ☐
Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.	

The sender of a telegraph message should always indicate the type of service desired.

rates, provided immediate delivery is not demanded; this service is referred to as the *Day Letter*. Lengthy messages may be sent at night at less expense than during the day; this service is known as the *Night Letter*. When several messages to the same address may be sent throughout a day, a saving in expense may be made by using what is termed the *Serial*.

502. Timed Wire Service. *Timed Wire Service* is designed for communications of some length; it is used principally by business houses having to do a great deal of telegraphing each



OPERATING A TELETYPEWRITER

The cost of timed wire service depends largely upon the skill of the operator.

day to their branch offices. This service involves placing the telegraph company's facilities at the customer's disposal on a time basis. The messages are transmitted by a printing telegraph apparatus operated by an employee of the sender. The charge is based on the time consumed by the sender's employee

in transmitting the communication, and on the distance to the point of destination. The minimum charge is for a period of three minutes, which is, in most cases, the amount charged for a fifty-word Day Letter between the same points. The charge for each additional minute or fraction of a minute in excess of three is one-third of the charge for the initial three-minute period.

503. Serials. *Serials* are suitable in the conduct of an intermittent (time-to-time) correspondence with any given address during the course of a day. As the name indicates, Serials represent messages filed in instalments. A minimum of fifteen text words an instalment is counted, and a minimum total of fifty words in the course of a day is charged for. Aggregate (total) rates for Serials are twenty per cent higher than those for Day Letters of corresponding length.

To be classed as part of a Serial, each instalment must be marked as such, or by employing the indicator "Ser." If an initial message marked as a Serial is filed in the anticipation that there will be other instalments going to the same addressee on the same day, but contrary to expectation no further instalment is sent, the first instalment is charged for either as a full-rate Telegram or as a Day Letter, whichever is the cheaper for the number of words involved.

504. Full-Rate Telegrams. Full-rate Telegrams represent the fastest class of service available. They carry no class-of-service designation and are accepted for immediate handling at any hour of the day or night. Unless some other class of service is indicated, all messages are considered to be full-rate Telegrams, and are handled as such. The minimum charge is for ten words, and words in excess of ten are charged for at a reduced rate. This service should be used whenever immediate delivery of a message is desired.

505. Day Letters. Day-Letter service is suitable for messages of twenty words or more whose nature is such that they can be held until full-rate messages that may be on hand

can be sent and still serve the purpose of the senders. This deferred day service is available to everyone at a low cost, the charge for a fifty-word Day Letter being only one and one-half times that of a ten-word full-rate Telegram. The minimum charge is for fifty words, and one-fifth of the initial fifty-word rate is charged for each additional ten words or fewer.

The cost of a Day Letter, as compared with the cost of a full-rate Telegram, varies in the different rate zones. Generally speaking, it is the same as the cost of a seventeen-word full-rate message. The Day Letter can therefore be used to advantage in connection with messages of eighteen words or more.

When a message that would normally be a Day Letter is sent to a business house so late in the afternoon that, with due regard for time-zone differences, its delivery during business hours is doubtful, the use of full-rate service is recommended if the communication is of urgent character. If it is not urgent, Night-Letter service is recommended as a more economical means of getting the message to the addressee the following morning.

506. Night Letters. Night Letters represent an overnight service corresponding to the Day-Letter service for day communications. Night Letters are accepted at any hour of the day or night up to 2 A.M. for delivery the following morning in the case of social messages, and on the morning of the next ensuing business day in the case of business messages. The charge for the first fifty words, or fewer, is the same as for a ten-word full-rate message, and one-fifth of the initial fifty-word rate is charged for each additional ten words, or fewer.

507. Night Messages. Night Messages represent a low-cost overnight service for short communications. They are accepted at any hour of the day or night up to 2 A.M. for delivery on the following morning in the case of social messages, and on the morning of the next ensuing business day in the case of business messages. A minimum charge for ten text words is

made. When delivery the next morning will suffice, the Night Message or Night Letter should be used.

508. Comparison of Classes of Rates and Character of Service.

CLASS OF SERVICE	BASIC RATE	ADDITIONAL CHARGE	WHEN ACCEPTED	WHEN DELIVERED
Full-rate message or "Telegram"	First 10 words 20c to \$1.20 according to distance	Each additional word 1c to 8½c	Any time day or night	Immediately—a matter of minutes
Day Letter	First 50 words 30c to \$1.80	Each additional 10-word group 6c to 36c	Any time	Subordinated to full-rate telegrams
Night Letter	First 50 words 20c to \$1.20	Each additional 10-word group 4c to 24c	Up to 2 A.M. of day of delivery	Next morning. Morning of next business day in case of business messages
Night Message	First 10 words 20c to 60c	Each additional word 1c to 24c	Up to 2 A.M. of day of delivery	Next morning. Morning of next business day in case of business messages
Serials	A message sent in instalments. No instalment rated at less than 15 words. For a total of 50 words or less, 35c to \$2.15.	When total words exceed 50, for each additional 10-word group 7c to 43c	Any time. All sections must be filed the same day.	
Timed Wire Service	3 minutes' use of printer tie-line facility 30c to \$1.80	Each additional minute or less 10c to 60c	Any time	

509. **Travelers' Messages at Reduced Rates.** One of the newest services offered to the traveling public is known as the Tourate Telegram. The purpose of this service is to allow the traveler to keep his friends and relatives notified each day as to just where he is and where he expects to be next. The cost of a Tourate Telegram to any destination in the United States is only 35 cents. The sender of such a telegram is entitled to use as many as fifteen words in all, but his message must pertain entirely to the following subjects: time of arrival, health,

weather, trip, next destination. The following message is an example of a Tourate Telegram:

North Platte, Nebraska, Oct. 30, 19—

Jane Roe
225 Michigan Blvd.
Chicago, Illinois

Arrived here 7 p.m. All well. Weather cool. Splendid trip so far. Denver tomorrow.

Richard Roe

The illustration shows a Western Union Telegram form with the following labeled parts:

- Class of service:** Points to a small table on the left with columns for 'CLASS OF SERVICE' and 'FULL RATE'. The table lists various services like 'DAY LETTER', 'NIGHT LETTER', 'CABLE LETTER', etc., with corresponding rates.
- WESTERN UNION:** The large central logo.
- Place from:** Points to a box containing 'NEWARK, N.J.'.
- Date:** Points to a box containing 'FEBRUARY 18, 1935'.
- Text:** Points to the main body of the message: 'ARTHUR W. BROWN, ACME MANUFACTURING COMPANY, 6495 EASTMAN AVENUE, CHICAGO, ILL. ADVISE BY WESTERN UNION BEST PRICE TWENTY GROSS STYLE FIFTY SEVEN ALSO EARLIEST POSSIBLE SHIPPING DATE. JANSON SPECIALTY SHOPS'.
- Signature:** Points to the bottom right of the form.
- Answer phrase transmitted FREE:** Points to the bottom left of the form.
- Full address:** Points to the address of the addressee.
- Addressee and Company:** Points to the name of the addressee.

At the bottom of the form, it says: 'THE QUICKEST, SAFEST AND SUREST WAY TO SEND MONEY IS BY TELEGRAPH OR CABLE'.

Illustration of the parts in a message. Only the words in the text are counted and charged for.

510. **“Canned” Messages.** For those who are unable to express themselves properly in sending holiday, birthday, Valentine’s Day, and other greetings, telegraph offices have on file prepared messages suitable for almost any occasion. All the customer has to do is to indicate the message he prefers, by the number on it, and the telegraph company transmits that number which is translated into a message at the receiving office. For example, number 36 means “Best wishes

for a very happy New Year from all of us to all of you.” “Canned” messages are very inexpensive.

511. Payment for Messages. Messages may be sent either “Paid” or “Collect,” the latter term denoting messages which are to be paid for by the addressee. “Collect” messages which are not paid for by the addressee are charged back against the sender. Business houses sometimes send “Collect” messages to their salesmen, knowing that if the message is not delivered, the house will be notified at once. The tolls (charges) on messages filed by telephone are customarily charged on the subscriber’s monthly telephone bill.

512. Other Services. Teletypewriter exchange service, established in 1931, permits users to be interconnected through a switchboard for the transmission of typewritten messages, just as telephone service permits the exchange of the spoken word. The teletypewriter keyboard is like that of a typewriter. Electrical impulses sent over the wires cause instantaneous reproduction of the message at the end of the circuit, which may be across the street or across the continent. As many as 180 words may be sent in three minutes.

513. Money by Telegraph. One of the greatest conveniences offered by the telegraph is the quick transfer of money. (See page 400.) Telegraphic money-orders are adaptable to all forms of business and social requirements. Imagine a traveler who has lost or has had stolen his wallet containing his railroad ticket and all his funds. He is a thousand miles away from home among strangers. To get money by mail from his bank or relatives might require a week. By stepping into a telegraph office, he may send a message “Collect” asking for money, and it is possible to have the money paid to him within an hour. This service is available by day and night, on Sundays and holidays, depending on the office hours observed by the local telegraph office. Money may be transferred quickly and safely by telegraph and cable to all points in the United States and to all foreign countries.

514. Gifts and Flowers by Telegraph. Telegraph Shopping Orders are designed to cover the purchase in distant cities and delivery to the person named at any particular time with the sender's name on a card, not only of books, candy, fruit, railroad, steamship, or theatre tickets, but of any article available locally that can be described. Shopping Orders are payable to the telegraph office at destination. It is not essential that the exact cost of an article shall be known in advance. A sufficient amount of money may be deposited, and any excess will be returned when the local cost is ascertained. Distant purchases made in this way save transportation costs and insure delivery on time and in perfect condition. Flowers may be sent by telegraph through the leading florists in each city. The customer selects the flowers he wishes delivered, and the florist simply wires another florist in a distant city to deliver the same kind of flowers at a given address at a certain time. This procedure assures one that fresh flowers will be delivered, and it also saves transportation expense as well as standing in line perhaps at the parcel-post window.



Messenger boys may be called upon to perform many kinds of service at very little cost.

515. Messenger Service. In addition to delivering telegraph messages, the messenger boys will perform many services for business houses as well as for individuals. The ways in which the individual may employ messenger errand service are unlimited. A few of the many activities in a messenger's everyday life are: Securing keys, eyeglasses, or umbrellas that have been left at home; delivering invitations to hastily arranged functions; piloting strangers about town; escorting children to and from parties; getting prescriptions filled; waiting in line for tickets or license plates; acting as door or auto attendant at receptions; calling for garments at dress-makers or tailors; carrying hand baggage to railway stations

and checking it; delivering flowers, candy, and gifts of all kinds. The rates for messenger errand service are very reasonable, being handled on a time or distance basis.

THE CABLE AND THE RADIO—Unit 5

516. Cable Service. Messages to foreign countries are sent over telegraph lines laid on the floor of the ocean. Because of the high rates charged for Cablegrams, the average individual makes very little use of this service. However, cable rates are now being reduced.

Since cable rates to some countries cost as much as \$1.50 a word, it is necessary to make cable messages very brief. This can be done by using what is known as a Code. One Code word may represent a sentence of a dozen or more words. Code Books may be obtained free of charge at all telegraph offices. By the use of a Code, lengthy messages may be packed into a few words.

517. Registered Code Addresses. Any person or firm may make up a name which will mean to the cable company that person's or firm's complete name and address. Such names must be registered with the local office of the cable company. Code addresses eliminate the expense of using a full address. The fee for registering the code address is \$1.50 for six months, or \$2.50 for a year.

518. Classes of Cable Service.¹ The several classes of cable service are identified as follows:

Urgent is a highly expedited service, such messages taking their turn in their order of filing over all others except government messages. Rates are twice the full or code (CDE) rate, as the case may be. The indicator "Urgent," which must appear before the address, is counted and charged for as one word.

Ordinary service is subordinate in dispatch only to urgent and government messages; it may be either full rate or code rate.

Full-Rate messages may be written in plain language or cipher (secret) language, with combinations of plain language and cipher permitted. Plain-

¹The Postal Telegraph-Cable Company.

language words are counted at the rate of fifteen letters to the word, and cipher at five letters of five figures to the word.

Code Rate means that the code words used must not contain more than five letters. Figures and commercial marks composed of figures and letters may not exceed one-half the number of words charged for in the text and signature. The indicator "CDE," which must appear before the address, will not be counted or charged for.

*Deferred** service makes the transmission of messages subordinate to that of ordinary messages of the same date. Messages must be written in one of the authorized plain languages. The indicator "LC" must be written before the address, and it is counted and charged for as one word. Rates are one-half the full rate.

*Night-Letter** messages are accepted with the general understanding that they will be delivered on the day after filing. They must be written in any one of the authorized plain languages. The indicator "NLT," which must appear before the address, is charged for as one word. Rates are one-third of the full rate with a minimum charge for twenty-five words.

519. Addresses. The name of the country of destination is seldom necessary and will not be charged for or transmitted unless it is required to insure delivery. Experienced cable clerks will often be able to identify unnecessary words in addresses, or perhaps in the text, and any assistance in shortening the cablegram and reducing the cost is willingly given by the telegraph company's employees. Unregistered addresses should not be unduly shortened, since government lines abroad hold senders responsible for incorrect or insufficient address, and accept corrections or amplifications of the same only by a paid service message at the full rate.

While the name of the place of destination and of the country, state, or county are counted as one word each, irrespective of how composed, the names of streets and of persons in addresses are counted at fifteen letters or fraction thereof to a word.

Cablegrams for places where there is no telegraph office should bear the name of the nearest office as the last word of the address, and the word "Post" as the first word. These two words are counted and charged for.

520. Radio Telegraph. Foreign countries and ships at sea can be reached by the radio telegraph operating on much the

*In the Deferred and Night-Letter classifications, numbers written in figures or general trade terms and commercial marks must not exceed one-third of the chargeable words in the combined text and signature of the message.

same principle as the radio in a person's home. Radio communication between the United States and foreign countries has certain advantages over the ocean cable lines. Besides the tremendous cost of laying a cable on the floor of the ocean, there is the cost of upkeep and danger of interruptions through the breaking of cables by earthquakes. Cable messages sometimes must be relayed at several different places before finally reaching their destination; they are also subject to the censorship of various governments, which may cause more or less trouble and delay. Radio messages go instantly from the original sending point to destination. They may be received just as readily at some inland capital as at the seaport terminal of a cable. The radio circuit, consisting of sending and receiving devices, is not affected by natural obstacles, hurricanes, mountain ranges, and oceans and rivers, as well as international frontiers. By radio, world-cruising vessels keep in daily touch with American stations throughout the circumnavigation of the globe.

521. How Radio Helps Humanity. Of all the varied services of radio, perhaps none is closer to human needs than the free medical service rendered by the United States Public Health Service for vessels having no physician aboard. To freight steamships plowing their way across the world, radio has flashed medical advice dealing with nearly all the ills to which flesh is subject and has detailed emergency treatment of accident cases. For example, an accident occurs on a freighter nosing her way across the Pacific. Hot oil under high pressure sears a man's hand. Quickly the hand swells to twice its normal size, and the unfortunate man writhes in pain. Cristobal is a week's sail away, but complete instructions for treatment and relief from pain arrive promptly by radio from the Marine Hospital in San Francisco.

It was considered a marvelous feat when the first ships were able to summon help by radio and thus save the lives of thousands of passengers. Now we find lifeboats also equipped with radio apparatus powerful enough to send signals more than

100 miles. In fact, today the traveler on the water or in the air anywhere in the world may be reached by radio. Sometimes it is necessary to send a message around the globe in order to reach a point only a few hundred miles away, but this means only a matter of a few minutes.

Through coöperation with ships at sea, the United States Weather Bureau gets reports from ships in the Caribbean Sea and Gulf of Mexico, where many very disastrous hurricanes arise and bring grief to our southern seaports. These reports, collected from ships at sea on a twice-a-day schedule, enable the Bureau to determine the intensity, speed, and direction of fast-moving disturbances. This news can be sent instantly then to our cities which are in danger.

522. How Radio Helps Travelers. Radio has made possible a service of information and entertainment to ocean travelers. Regular broadcast programs are frequently picked up in mid-ocean. Several American liners have been equipped with complete systems by which programs from the well-known broadcasting stations are reproduced at various locations on the vessels.

One of the recent services established in marine communication provides for direct exchange of communications between persons waiting on the dock at New York and their friends on board the approaching vessels. A liner sometimes is delayed from its scheduled time for docking, due perhaps to bad weather or quarantine. The new service permits communication with the incoming liner at the point of quarantine or on her way up the harbor.

523. Domestic Radio Telegraph Service. While the telegraph and telephone gave modern civilization its great on-rush, radio has added to these services amazingly. Starting as a service to ships at sea, radio now has spread to land and air. The latest short wave radio equipment offers a most direct, efficient communication service dependable under all conditions. At present this system includes Boston, New York, Chicago, Detroit, New Orleans, Philadelphia, Los Angeles, and

Seattle. Having no wires or cables to maintain, radio telegraph is able to offer more service for less money. Radio telegraph transmits fifteen words for the price of ten words by wire. Fifteen words provide fifty per cent more opportunity to transmit information. Here are concrete examples of the economy of radio telegraph service between New York and San Francisco. Similar savings may be secured between other points having radio telegraph facilities.

15-Word Fast Message	
By Wire	\$1.63
By Radio	1.20
Saving	\$.43

60-Word Day Letter	
By Wire	\$2.16
By Radio	1.80
Saving	\$.36

15-Word Night Message	
By Wire	\$.72
By Radio	.60
Saving	\$.12

100-Word Day Letter	
By Wire	\$3.60
By Radio	3.00
Saving	\$.60

The five extra words without added cost enable the business man to transmit quotations or describe shipments in more detail and with more emphasis because of the attention which a radio message commands.

524. For Consumer's Information. Delivery of telegraph messages within the corporate limits of cities and towns is free. Beyond city limits and in outlying thinly settled areas the actual cost of delivery is collected from the addressee, or it may be prepaid by the sender, if there is no telephone which may be used to reach the addressee. Next to the mail, the telegraph is the cheapest method of communication for long distances. Basic rates vary from twenty cents for a message sent and delivered within a city to \$1.20 for a telegram across the continent. The principal telegraph companies operating in the United States are: Western Union, Postal Telegraph, Mackay Radio, and the Radio Corporation of America.

Questions on the Text

Sec. 444. How can we make our wants known? Through what means can we communicate with people at a distance? What is the chief reason for writing a letter?

Sec. 445. What may ruin a letter that is well worded and otherwise good?

Sec. 446. What tools are needed in writing letters? In choosing paper, what items should be considered? What is the standard size of letter paper? In what respects should envelopes match paper? What is the best kind of pen? What color of ink is preferable? What color of typewriter ribbon is always proper?

Sec. 447. What seven parts are necessary to a correctly-written business letter? What items should be considered in the arrangement of a letter? What items should be considered in the addressing of an envelope?

Sec. 448. Describe a properly arranged heading in which the names of both the city and the state are printed on the letterhead; in which the names of the city and the state are not printed on the letterhead.

Sec. 449. Give three illustrations of a correct inside address. Describe an indented and a block form of inside address. In a letter of friendship, where may the inside address be placed?

Sec. 450. Give eight examples of salutations that are proper for business letters. In a letter sent to a firm, what is the proper form in case the special attention of one of its members is desired?

Sec. 451. How far below the salutation should the body of a letter be started? How many spaces should the first line of each paragraph be indented? What are the exceptions to this rule? What rules are useful in determining the length and content of a paragraph? What is the rule about writing on both sides of the sheet? When more than one page is needed, how are the pages numbered and labeled?

Sec. 452. What is the rule regarding margins and centering of typed material? What rule should be observed in dividing a word at the end of a line?

Sec. 453. What is the purpose of punctuation marks? What length of sentences, for the most part, should be used in business letters? Where is the comma used in the heading? in the complimentary close? What punctuation marks should be used after the salutation? When are quotation marks used? Illustrate. What punctuation marks should precede the quotation marks? What punctuation mark should be placed after all abbreviations?

Sec. 454. Give examples illustrating when words should or should not be capitalized.

Sec. 455. What is the rule about spelling out dates, house numbers, or page numbers? Illustrate. How should sums of money be written? What is the rule about writing numerals at the beginning of a sentence?

Sec. 456. Illustrate six forms of complimentary close and tell when each might be used.

Sec. 457. Where should the signature to a letter be placed? In a business letter, what should precede a woman's signature?

Sec. 458. Name seven expressions which one should be careful about using in business letters.

Sec. 459. Name twelve things which one should avoid in writing an effective letter.

Sec. 460. Describe the proper way of folding and inserting a letter in an ordinary envelope.

Sec. 461. Describe the proper way of folding and inserting a letter in a long (4"x10") envelope.

Sec. 462. Why should every citizen learn about the many services offered by the post office?

Sec. 463. Into how many classes is mail matter divided? What is included in each class?

Sec. 464. Describe first-class mail. What is the difference between postal cards and post cards?

Sec. 465. What is the rule about prepaying postage on letters? What exception is there to this rule? What must be done when mail with insufficient postage reaches the addressee?

Sec. 466. Give as nearly a complete list as you can of unmailable matter.

Sec. 467. What may happen to carelessly addressed mail? What mail goes to the dead-letter office? When must one pay to get undelivered mail from the dead-letter office? When will undelivered letters be returned free to the sender? What advice for addressing mail does the Post Office Department give?

Sec. 468. Upon what mail *must* the sender's name and address be placed? Upon what mail *should* it be placed? Where should the return address be placed? What should the return request contain?

Sec. 469. What should one do if he moves and wishes his mail forwarded to his new address? What mail will be forwarded without additional postage?

Sec. 470. Will the government redeem or exchange postage stamps? Under what circumstances will spoiled postal cards and stamped envelopes be redeemed?

Sec. 471. What is meant by special-delivery service? What kind of stamps may be used for special-delivery service? When and where must the words "Special Delivery" be written on the envelope? Between what hours will special-delivery mail be delivered? In what places will special-delivery mail be delivered on Sundays and holidays?

Sec. 472. What is the advantage of registering mail? What receipts does the postmaster issue? What should be done with the receipts? What is the fee for registering a letter or an article? To whom will registered mail be delivered?

Sec. 473. Explain how one may recover a letter already mailed.

Sec. 474. Explain how we can get from the Post Office Department the address of a person whom we may wish to locate.

Sec. 475. Explain how advertising matter may be sent to every household on a carrier's route without placing individual names on the envelopes.

Sec. 476. What persons are entitled to rural delivery service?

Sec. 477. Where must the boxes of rural delivery patrons be placed?

Sec. 478. What are drop letters? What postage do they require?

Sec. 479. What is the advantage of air mail? If ordinary stamps are used on air mail, what should be written on the envelope? When should a special-delivery stamp be used in addition to air-mail

postage? What matter may be sent via air mail? What is the limit regarding weight and size of air-mail matter? May air mail be registered, insured, or sent C.O.D.?

Sec. 480. Discuss the United States Postal Laws having to do with the following matters: stealing from the mails; injuring or tearing mail; using canceled stamps; mailing filthy or indecent books, pictures, letters, etc.; placing threatening or libelous words upon the outside of a package, envelope, or post card; mailing material concerning a lottery or chance; use of a fictitious name or address; sending poisons, explosives, or other dangerous material through the mails; altering or forging other people's names to money orders; sending matter of a higher class as a lower class; making a false claim for a lost letter or a package.

Sec. 481-482. How was time formerly reckoned? When do sailors add a day to or drop a day from the calendar? Why was sun time confusing for the railroads? Describe the purpose of the four time zones.

Sec. 483. When may the telephone be considered a necessity? About how many telephones are there in the United States? In foreign countries? What countries are within reach of voice over the telephone?

Sec. 484. Describe the proper way to speak into the mouthpiece of a telephone.

Sec. 485. What is one's duty as to promptness in answering the telephone?

Sec. 486. Why should one speak pleasantly over the telephone? What should one say upon finishing a telephone conversation?

Sec. 487. To whom does the telephone directory belong? In what order are names listed in the telephone directory? What are some of the rules that may help you when looking up a name in the telephone directory?

Sec. 488. What is meant by the classified section of the telephone directory? How is it used?

Sec. 489. Describe the two types of telephones. How should one give the following numbers to the telephone operator: 0300? 12881? 1708? 4800? 5000?

Sec. 490. In making a telephone call, how long should one wait for an answer? Describe the ringing signal and the busy signal. What should one do when he hears the busy signal? When answering the telephone, what should one say?

Sec. 491. Explain how to dial Trinity 4612. In dialing, what mistakes should one avoid? What other things should one observe when dialing? How can a person with a dial telephone call another person on his own line? If you have a dial telephone, how should you dial a suburban subscriber whose number is Oxford 3300-J-3?

Sec. 492. Give an identifying word for each letter of the alphabet; for example, A as in Adams, B as in Boston, etc.

Sec. 493. What rules should one observe in using a public telephone?

Sec. 494. Explain how to get an out-of-town call that is handled by the local operator. Describe and give the six features of station-to-station service. Describe and give the five features of person-to-person service.

Sec. 495. What are the advantages and disadvantages of a party line? Give some suggestions for the proper use of a party line.

Sec. 496. How can one put through an emergency call when it is too dark to dial a number?

Sec. 497. What are some ways by which a telephone subscriber may reduce and prevent unnecessary telephone expense?

Sec. 498. Upon what basis are the prices of long-distance calls quoted? What is a good way to keep within one's time limit in a person-to-person call?

Sec. 499. How do hotels sometimes make improper collections for local telephone calls?

Sec. 500. By what method can the public send messages most rapidly and at the least expense? Where must a person be to receive these messages? Why is a description of telegraph services included in this text?

Sec. 501. Name the five classes of telegraph service.

Sec. 502. Describe what is meant by Timed Wire Service. What is the minimum charge for it?

Sec. 503. What is meant by telegraphic Serials? When are they used?

Sec. 504. What are the advantages and disadvantages of full-rate Telegrams?

Sec. 505. Describe telegraphic Day-Letter service. What is the minimum charge for a Day Letter? How does the cost of a Day

Letter compare with the cost of a full-rate Telegram? When might it not be advisable to send a Day Letter in the late afternoon?

Sec. 506. Describe Night-Letter service. When are Night Letters accepted? What do they cost?

Sec. 507. What is a Night Message? How does it differ from a Night Letter?

Sec. 509. Describe a Tourate Telegram, telling its purpose, cost, and the number of words and kind of material it may cover.

Sec. 510. What are "canned" messages? What are the advantages of collections made on messages that are telephoned to the telegraph company?

Sec. 511. How are "Collect" charges on telegrams handled? How are collections made on messages that are telephoned to the telegraph company?

Sec. 512. Describe teletypewriter exchange service.

Sec. 513. Describe the method and advantage of sending money by telegraph.

Sec. 514. What are telegraph shopping orders? How are they used? How are flowers sent by telegraph?

Sec. 515. What services are performed by telegraph messenger boys? Upon what are the rates for these services based?

Sec. 516. What are cable messages and how are they sent? Why is a code used in sending cable messages? Illustrate the use of a code.

Sec. 517. Explain the handling of a person's or firm's code address.

Sec. 518. Describe the following classes of cable service: Urgent; Ordinary; Full-rate; Code-rate; Deferred; Night-Letter.

Sec. 519. How are addresses in cablegrams often shortened? What help do cable-company clerks give in preparing messages? How are the following items counted in the address of a cablegram: place of destination, names of streets, and names of persons?

Sec. 520. Explain the advantages of radio telegraph.

Sec. 521. Tell three ways in which radio helps humanity.

Sec. 522. How are travelers on ships entertained by radio? How is radio used to communicate with incoming ocean liners?

Sec. 523. Describe domestic radio telegraph service. What cities are included in the service? What are the rates? How do these rates compare with wire service?

Sec. 524. What charge, if any, is made for delivering telegraph messages? Broadly speaking, what rates are charged for telegrams? What are the principal telegraph companies of the United States?

For Class Discussion

Sec. 444. Name several means through which people may make their wants known.

Sec. 445. What advantage is there in arranging a letter attractively?

Sec. 446. In buying stationery, what should one consider as regards quality, color, size, and shape? What items should one consider in purchasing pens, ink, and blotters? In what way may poor typing spoil the appearance of a letter?

Sec. 447-451. As far as the business world is concerned, why is it convenient to have a standard size of paper and envelope, and a more or less standard arrangement of the letter itself? Name some businesses in which you think a conservative arrangement of letters would be preferable; name some businesses in which an uncommon or unusual arrangement might be desirable. Why isn't the block style of arrangement suitable for pen-written letters? Discuss this advice: In writing a letter, write as though you were talking to the person face to face or over the telephone.

Sec. 451-454. Give a few simple rules which you think would be helpful to a person in writing correct and effective sentences and paragraphs; give rules which you think would be helpful in deciding upon correct punctuation and capitalization.

Sec. 455. Give reasons why numbers should not be spelled out in the examples given in this section.

Sec. 456. What complimentary close do you prefer? Why? Why have a complimentary close?

Sec. 458. What other expressions can you add to those given in this section?

Sec. 459. Give reasons for avoiding doing those things mentioned in points 2, 3, 4, 5, 6, 8, 9, 10, 11, and 12.

Sec. 461. What difference does it make how a letter is folded, provided that it will go into the envelope?

Sec. 462. Why do you think that the government charges no more to carry a letter across the continent than it does to carry it a few miles to the next town or city?

Sec. 463. Why does the government divide mail into different classes and charge a different rate for each class?

Sec. 464. What seems to be the test for determining what is first-class mail?

Sec. 465. Postage on letters and packages must be prepaid. Why do you think an exception to this rule is made in the case of business-reply cards and letters?

Sec. 466. Do you think any articles mentioned in this section should be admitted to the mail?

Sec. 467. Address an envelope and bring it to class with you. Your teacher will ask several pupils to copy addresses on the black-board for the class to criticize.

Sec. 468. Why should the return address be placed on the *front* of the envelope rather than on the *back*?

Sec. 469. Why are not postmasters willing to keep indefinitely on file notices for forwarding mail? Under what conditions might people want their mail forwarded?

Sec. 470. What is the reason for the government's refusal to redeem postage stamps? Why should not spoiled postal cards be redeemed at their full value?

Sec. 471. When might it be foolish to place a special-delivery stamp on a letter or a package?

Sec. 472. Give examples showing when mail should be registered, and when a return receipt should be demanded.

Sec. 473. When might a person wish to recover a letter that he has already mailed?

Sec. 475. Under what circumstances might a firm wish to send a letter or package to every home on a mail carrier's route?

Sec. 476. What is the difference, if any, between city mail delivery and rural free delivery?

Sec. 478. What is the advantage of drop-letter service?

Sec. 479. When should the following services be used: straight air mail? registered air mail? special-delivery air mail? registered special-delivery air mail?

Sec. 480. Taking into consideration the vast amount of business carried on by the post office, why are there so few violations of the postal laws as compared with the number of other crimes?

Sec. 481-482. For what reasons is it important to understand the operation of standard time when studying how to take advantage of air-mail, telegraph, and long-distance telephone service? When it is noon in New York, what time is it in Ottawa, Canada? Santiago, Chile? Chicago? Galveston? Denver? Seattle? San Francisco?

Sec. 483. Should telephone rates be higher in a small city, where there are few telephones, or in a large city, where there are many telephones? Not counting the federal tax, it costs \$1.20 to send a ten-word full-rate Telegram to New York, and \$11.00 for a three-minute person-to-person telephone conversation during the daytime. Why should there be such a great difference in the rates for these two types of communication?

Sec. 484-486. Be able to demonstrate to the class the proper position to assume in speaking into the mouthpiece of the telephone. Demonstrate the proper use of your voice.

Sec. 487-488. In a certain telephone directory there are listed three J. Brown's and six J. A. Brown's. What do you think determines the order in which they are listed? Read two or three pages of names in a telephone directory and be sure that you understand why the names are arranged as they are; then be prepared to find any name that your teacher may suggest.

Sec. 489-494. Be able to describe how to place either a local or long distance telephone call over both a public and a private telephone.

Sec. 495. Tell of any difficulties about which you have heard in the use of party lines. What suggestions have you for overcoming such difficulties?

Sec. 497-499. Do you know of any other suggestions besides those given in the text that might save the user of a telephone both money and inconvenience?

Sec. 500-515. State the conditions under which it would be wise and proper to use the following telegraphic services: a full-rate Telegram; a Day Letter; a Night Letter; a Night Message; Timed Wire Service; Serials; a Tourate Telegram; a "Canned" Message; Teletypewriter Exchange Service; a Telegraphic Money Order; a Telegraph Shopping Order; Messenger Errand Service.

Sec. 516-519. Compare the advantages of sending messages by cable and by radio. What effect, if any, do you think the radio will have upon the sending of messages by cable?

Sec. 520-523. If you know anything about radio telegraph service, be prepared to tell about it.

Thought Questions and Problems

Sec. 444-461. 1. Glance through a book on business English, business correspondence, or letter writing, and be able to present to the class helpful information not covered in your textbook.

2. Write a letter ordering some article advertised in a newspaper, a magazine, or a catalog.

3. Mrs. Harriet Smith and Miss Hazel Brown are a committee for securing funds to provide toys for poor children at Christmas. Your mother has received a letter from these ladies asking for a contribution. Write them a letter for your mother stating that she is enclosing a check or a money order (decide upon one or the other) for \$1.00 and wishing them success in their worthy object.

4. Reconstruct and write the following letter as it should be: Robinson and May Co; #526 Central ave, Kansas city—Missouri agents:—enclosed find my check in full payment for last month and the chair I got on approval I am returning because it is not exactly what I want but will come and look at some others some other time; am enclosing my check for last month and do not send me any statements for same hoping this is O. K. I am Yours Very Truly.

5. Write or typewrite the following address on both a long and a short envelope: C. E. Green, Manager, Western Shoe Co., 240 Main St., St. Louis, Mo. If envelopes are not available, cut two pieces of paper, 9½ inches by 4½ inches, and 6½ inches by 3½ inches, respectively. On each envelope or piece of paper write your return address in the upper left-hand corner.

Sec. 462-480. 1. Look up the word post office in an encyclopedia or other book of reference and prepare a report on one of the following subjects or some similar subject: Postal Systems of Ancient Times; the Postal System of Great Britain; Postal Systems of Our Colonial Days; Interesting Facts about the Postal System of the United States; Interesting Facts about Air Mail; Postal Services of—(some foreign country).

2. If you are a collector of postage stamps, prepare to give a talk on stamp collecting; exhibit your collection if you care to do so.

3. Does the United States Post Office Department usually operate at a loss or a gain? Can you explain why?

4. State why you do or do not favor a flat rate to all parts of the country on first-class and on fourth-class mail matter.

5. What is the argument for the government's maintaining a below-cost rate on air mail?

6. Give instances of how the United States has helped to check crime through enforcement of the postal laws.

7. How much will it cost to send each of the following:

- a. 8 letters, 1 ounce or less each?
- b. 6 letters, $2\frac{1}{2}$ ounces each?
- c. 3 packages, $6\frac{1}{2}$ ounces each?
- d. 2 packages, 8 ounces each?
- e. 1 letter, 1 ounce to England?
- f. 1 letter, 3 ounces to England?
- g. 1 letter, 3 ounces air mail?
- h. 1 letter, 2 ounces special delivery?

8. How much will it cost to send the following:

- a. A watch worth \$75, weight 4 ounces when packed, sent from New York to Los Angeles by first-class registered mail; return receipt requested?
- b. A contract and other business papers, weight 10 ounces, value \$500, sent air mail, special delivery, registered; return receipt requested?
- c. A manuscript weighing 16 ounces, valued at \$50, sent by registered first-class mail?

Sec. 481-482. 1. What was the actual flying time for an airplane that left Los Angeles at 4:05 A.M., Pacific Standard Time, made one stop of 14 minutes and another stop of 22 minutes, and arrived in New York the same day at 8:51 P.M., Eastern Standard Time?

2. When it is 12:00 noon, in New York, what time is it in the following cities: Athens? Berlin? Boston? Chicago? Detroit? London? Panama? Paris? San Francisco? Yokohama?

Sec. 483-497. 1. Figure the cost of both a three-minute and a five-minute telephone conversation at day rates between your city and each of three foreign cities. What would be the costs at night rates?

2. Figure the cost of a three-minute station-to-station telephone conversation at day rates, evening rates, and night rates, between your city and three cities outside your state. What would be the cost of person-to-person service?

3. Figure the costs, as in problem 2, for three cities within your state.

Sec. 500-524. 1. Telegraph rates between two cities are quoted as follows:

Full-rate Telegram.....	40—3	(40¢ for first 10 words, and 3¢ for each additional word)
Night Message.....	30—1½	(30¢ for first 10 words, and 1½¢ for each additional word)
Day Letter	60—12	(60¢ for the first fifty words, and 12¢ for each additional 10 words or less)
Night Letter.....	40—8	(40¢ for first 50 words, and 8¢ for each additional 10 words or less)

On the basis of these rates, figure the cost of a sixty-five word message by *each* class of service.

2. Assume that the banks of New York and San Francisco close at noon on Saturdays. At 9:30 A.M. on a certain Saturday a business matter arises that makes it necessary for a San Francisco banker to send a seventy-word message to a New York bank without any unnecessary delay. What method of communication would it be most sensible to use?

3. If you have access to a code book, write a message in code and take it to class with you.

4. If you know of some instance in which radio has helped someone in distress, be prepared to tell the class about it.

Word Study for Chapter XVI

SECTION

525. **Primitive**—having to do with early times.
Sledge—a strong sled, with or without runners, for carrying loads.
526. **Preferable**—more desirable; better.
Attendant—present at the same time; connected with.
528. **Fragile**—easily broken; delicate; frail.
530. **Previous**—going before; earlier; prior.
532. **Advantageous**—helpful; useful; serviceable.
Computed—figured; estimated; calculated; reckoned.
535. **Remit**—to send; to send money in payment of a debt; forgive.
536. **Affixed**—fastened to; joined to.
537. **Inscription**—signs or letters written, printed, engraved, or scratched on something.
539. **Transmission**—the act of sending from one place or person to another.
541. **Perishable**—likely to die or decay; easily spoiled.
542. **Rifling**—stealing; robbing; plundering.
544. **Assure**—to make sure or certain; prove; settle; insure.
546. **Girth**—the distance around an object; circumference; a girdle.
548. **Inception**—beginning; start of anything; commencement.
Exclusively—only; limited to a certain number or class.
Summoned—called; sent for; bidden; notified to appear.
552. **Classification**—the result of grouping according to a system.
553. **Coordination**—a working together; adjustment.
Vaccine—a liquid used to prevent smallpox or other disease.
Serum—a watery fluid taken from the blood of animals and used in the prevention of disease.
559. **Withstand**—to stand against; resist; oppose.
560. **Document**—a printed or written paper giving information.

Pretest for Chapter XVI

1. Name all the various agencies now used in this country for transporting goods from city to city.
2. What is the difference between a shipment and a cargo?
3. What is the difference between a common and a private carrier?
4. Explain the difference between C.O.D. and F.O.B.
5. Who stands the expense of shipping goods, the buyer or the seller?
6. Why should a buyer be interested in the agency that is used in shipping goods to him?
7. What kind of matter may be sent by parcel post?
8. How can you send a package by parcel post to a person and also send a letter to him with the assurance that both will be delivered at the same time?
9. Does it help the post office employees if a package is addressed on several sides instead of on one side only?
10. How may a package be sent by parcel post so that the sender may recover the value of its contents in case of loss?
11. What is the difference between "Special Handling" and "Special Delivery" of packages?
12. What advantages has express service to offer over that of parcel post?
13. If it costs \$11 to send a one-hundred-pound package by express, what will it cost to send a ten-pound package?
14. What other services does an express company perform besides transporting packages?
15. Do motor trucks haul heavy goods over long distances more cheaply than do railroad freight trains?
16. What is a bill of lading? What is its purpose?
17. Why is it important that goods be removed from an express or a freight office as soon as the addressee receives notice of the arrival of the goods?
18. What advantages can you name for shipping household goods by motor truck instead of by freight train?

CHAPTER XVI

SHIPPING SERVICES—Unit 1

525. **Methods of Transportation.** Everything man needs for sustaining life is *somewhere*, but not *everywhere*, on the earth. People may be found nearly everywhere, but the things that people need exist only in certain places, often in far-away places. The largest part of man's time is used in moving things around on this earth for his use or convenience. Primitive man used his head or arms for moving burdens from one place to another. Later, heavy articles were placed on a sledge to be drawn by animals. Wheels were then invented and wagons made. Boats for moving commodities across water could be propelled by hand or sails. Not so many years ago the first steam engine was built which would run on rails and move burdens at a greater speed and for a longer distance than they could be moved by animal-drawn vehicles. It was also discovered that steam engines would move boats faster and more certainly than oars or sails. The next discovery to come to the aid of man in moving articles was electricity, and this was followed closely by the invention of the gas engine. With the gas engine it was an easy step to the invention of the automobile and the airplane. Thus today man has the choice of many methods for transporting things from one place to another.

526. **Agencies Used in Shipping.** In order to save time, money, and inconvenience, it is necessary for a shipper to know the various agencies at his command so as to determine which is the most appropriate for each shipment.

Just as there are preferable methods of communicating and of traveling, so are there best routes and methods for shipping articles, depending upon the particular type of goods to be

shipped and the attendant circumstances. Goods may be shipped by any of the following methods: by rail, boat, or motor truck; by express (railway, highway, or air express); and by mail (parcel post). Any one or all of these methods may be used by a business firm during one single day, according to the demands and advantages for each shipment.

527. When Each Agency May Be Used. The agency used most in everyday life is the Post Office; however, this service is limited to articles weighing not more than seventy pounds.

Other agencies undertake to transport articles, regardless of weight or rules which might prohibit the sending of such articles by mail. Next to the Post Office, the Railway Express Agency, perhaps, ships the greatest number of lightweight articles each day. Parcel delivery companies using motor cars transport many of the shipments within city limits. Motor truck lines furnish a fast and convenient overnight service within a distance of four or five hundred miles. Railroad freight trains are used for transporting very heavy or bulky articles long distances. Steamships furnish a very cheap and satisfactory method of transportation where time in transit is not an important consideration.

528. Knowledge of Shipping Terms Necessary. In order to understand the language used by those engaged in shipping services and to answer questions intelligently, it is important that certain terms peculiar to shipping be understood. In the transportation business, the following terms are most common: *cargo*, for freight going on ships; *shipment*, for freight going on cars; *classification*, for description of articles as belonging in the first, second, third, or fourth class. The higher the class, the greater is the cost of transportation. Articles in the first class may be fragile or perishable, and because they require more care in handling, the cost of carrying them is greater.

Tariff is the printed list of articles provided by those engaged in transportation to show the classification of all merchandise, and the rate that each class takes. *Rate* is the percentage, usually quoted for each one hundred pounds of

freight upon which the cost of transporting is based. *C.L.* means carload lot; *L.C.L.* means less than carload lot.

Other terms commonly used in the transportation business are as follows: *Common Carrier* is any person or firm offering to anybody and everybody a willingness at all times to transport goods for pay. *Private Carrier* is any person or firm not making any offer to the public but willing to be engaged for the purpose of transporting goods. *Consignor* is the individual or firm making the shipment; *consignee* is the person or firm receiving the shipment. *Prepaid* means that all transportation costs are paid by the shipper. *C.O.D.* (collect on delivery) means that the cost of the goods plus all transportation expense is to be paid by the consignee when the shipment is delivered. The term *collect* may also be used to mean *C.O.D.* *F.O.B.* (free on board) means that the shipper will place the article on board the car or the ship at his own town without any additional expense, but the consignee will pay all expenses of transportation from that point. *F.O.B.*, however, does not mean this with manufacturers of automobiles who advertise cars at certain prices, *F.O.B.*, factory. Replies to letters written to the leading automobile manufacturers to find out exactly what is meant by their prices, advertised "F.O.B., factory," reveal that the statement means practically nothing of any help to buyers.

529. **The Buyer Pays.** Since, as a general rule, the buyer must pay the expense of shipping, the best method to be used is of more importance to the buyer than to the seller. In ordering goods shipped, the buyer should specify the method by which they are to travel and state whether the shipping costs are to be prepaid or collected upon delivery. When the seller is asked to prepay the expense of shipping, he usually adds the amount to the customer's bill. In figuring the cost of any article, it is necessary to include every item of expense up to the point of final delivery; for example, an automobile quoted at a certain price, *F.O.B.*, Detroit, may cost two to four hundred dollars more by the time it is finally delivered at some

far western point. When buying from a mail order house, the shipping costs should be added before prices are compared with those of the local stores.

POST OFFICE SHIPPING SERVICES—Unit 2

530. **Common Carriers.** Agencies which make a business of transporting articles for anybody and everybody willing to pay for shipping them are called common carriers. The common carrier used most in this country is the post office. Nearly every man or woman makes use of the post office sometime during a year in sending or receiving shipments. In a previous chapter we learned that the post office carries our letters as first-class mail, and our newspapers and magazines as second-class mail. When it comes to shipping other articles, the post office provides for them as third-class and fourth-class matter.

531. **Third-Class Mail.** Included in third-class mail are books and catalogs having, counting covers, 24 pages or more; circulars and other printed matter on paper not having the nature of actual correspondence; proof sheets, corrected proof sheets, and manuscript copy accompanying the same; matter in raised characters used by the blind; merchandise, seeds, bulbs, and plants, weighing up to and including 8 ounces. On the wrapper, envelope, or tag, or upon the matter itself, in addition to the name and address of the addressee, there may be written or printed the name, occupation, and residence or business address of the sender, preceded by the word "From." The wrapper may bear also such inscriptions as, "Do not open until Christmas," "Happy New Year," or some other similar expression.

532. **Fourth-Class Mail, or Parcel Post.** Merchandise, farm and factory products, seeds, bulbs, plants, books, and printed matter exceeding 8 ounces in weight are referred to as fourth-class mail, or parcel post. The parcel post offers a convenient,

quick, and efficient means of transporting mailable parcels to any post office in the United States or in its possessions. This service reaches more places than any other transportation agency. It brings producers and consumers into closer contact, thus opening the way to reducing the high cost of living; it is therefore advantageous for shipments of farm products. Low postage rates, based on the service rendered, are provided. Parcels may be insured against loss and may be sent C.O.D. Rates on parcel post are by the pound, according to the distance of transportation, or zone, a fraction of a pound being computed as a full pound. Postage must be prepaid. A sample of the rates charged up to ten pounds in weight is shown below.

PARCEL POST RATES

Weight in Pounds	Local	ZONES							
		1st Up to 50 Miles	2nd 50 to 150 Miles	3rd 150 to 300 Miles	4th 300 to 600 Miles	5th 600 to 1,000 Miles	6th 1,000 to 1,400 Miles	7th 1,400 to 1,800 Miles	8th Over 1,800 Miles
1	\$0.07	\$0.08	\$0.08	\$0.09	\$0.10	\$0.11	\$0.12	\$0.14	\$0.15
2	.08	.10	.10	.11	.14	.17	.19	.23	.26
3	.08	.11	.11	.13	.17	.22	.26	.32	.37
4	.09	.12	.12	.15	.21	.27	.33	.41	.48
5	.09	.13	.13	.17	.24	.33	.40	.50	.59
6	.10	.14	.14	.19	.28	.38	.47	.59	.70
7	.10	.15	.15	.21	.31	.43	.54	.68	.81
8	.11	.16	.16	.23	.35	.49	.61	.77	.92
9	.11	.17	.17	.25	.38	.54	.68	.86	1.03
10	.12	.18	.18	.27	.42	.59	.75	.95	1.14

533. **Name and Address of Sender Necessary.** A parcel of fourth-class matter will not be accepted for mailing unless it bears the name and address of the sender, which information should be preceded by the word "From."

534. **Additional Information on Fourth-Class Mail.** There may be placed on the wrapper, cover, tag, or label of fourth-class matter any marks, numbers, names, or letters for the purpose of description. There may be written on the blank leaves or cover of any book a simple inscription not in the nature of personal correspondence. Space sufficient for a legible address, the postmark, the necessary postage stamps,

and any words necessary for forwarding or return must be left on the address side of parcels. Inscriptions, such as "Merry Christmas," "With best wishes," "Do not open until Christmas," or words of such a nature may be written on fourth-class mail, or a card bearing the same may be enclosed therewith.

535. **Enclosures.** There may be enclosed with fourth-class matter a written or printed invoice, or bill, showing: the name and address of the sender and of the addressee; the names and quantities of articles enclosed, together with inscriptions made for the purpose of description, and the price, style, stock number, size, and quality of the articles; the order or file number, date of order, and date and manner of shipment; and the initials or name of the salesman or of the person by whom the articles were packed or checked. The words "No charge," "Charge \$—," or just "Charge," being equivalent to a price, are permissible.

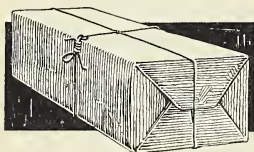
Invoices may not bear written indorsements showing the amounts remitted by the customers when such invoices differ from those representing the value of the articles shipped with them; neither may they show the amounts owed by the customer or those due him.

536. **Communications Attached to Parcels.** When it is desired to send a communication with a parcel on which postage at the fourth-class rate has been fully prepaid, the communication may be sent at the first-class rate of postage in an envelope addressed to correspond with the address on the parcel; such a communication may be tied or otherwise securely attached to the outside of the parcel in such manner as to prevent its separation therefrom and not to interfere with the address on the parcel. The stamps to cover the postage on the parcel must be affixed to the wrapper of the parcel, and those to pay the postage on the communication must be affixed to the envelope of the communication. Parcels to which such communications are attached are treated as fourth-class matter.

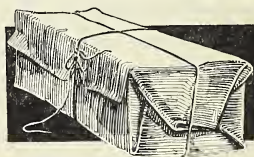
537. Sealed Parcels of Fourth-Class Matter. If one desires to seal a package of fourth-class matter, it may be mailed at the fourth-class rate of postage, provided that the parcels are labeled *in printing* to show the nature of the contents. One should state, for example, "Merchandise—fourth-class mail," and give the printed name and address of the manufacturer, producer, or sender, followed by the inscription, "Postmaster: This parcel may be opened for postal inspection if necessary."

538. Examination. Second, third, and fourth-class matter must be so wrapped or enveloped that the contents may be examined easily by postal officials. When not so wrapped, or when bearing or containing writing not authorized by law, the matter will be treated as being of the first class.

539. Preparation and Wrapping of Mail Matter. There are very definite rules and regulations regarding the sending of articles by parcel post, or fourth-class mail. Envelopes or



A neatly wrapped package.



A carelessly wrapped package.

A well wrapped package not only makes a good impression on the receiver of it, but is also safer in the mail.

wrappers of weak or easily-torn paper should not be used. Mail is handled often and subjected to pressure and friction in the mailbags. Frequently it is delivered from moving trains; hence, if it is not enclosed in strong envelopes or wrappers, it may be damaged.

All matter should be securely wrapped so as to bear transmission without breaking or injuring mailbags, their contents, or the persons handling them. Many articles are damaged in the mails for the reason that they are not properly wrapped to withstand the necessary handling. Parcels improperly or insufficiently wrapped will not be accepted for transmission in the mails.

Parcel-post mail may be enclosed in boxes to which the lids are nailed or screwed, provided that the lids can be readily removed with a chisel or screw driver for an examination of contents.

Many people have the mistaken idea that it helps the post-office clerk if they place the address on both sides of a package. As a matter of fact, it delays the transmission of the package: when a postal worker sees an address but no stamp, he sets aside the package to be held for postage-due examination. This happens many times a day. To place stamps on packages anywhere else than on the address side means delay.

540. Fragile Articles. Articles easily broken must be very securely wrapped for safe transmission, and marked "Fragile." A list of some fragile articles follows: Amber, cakes, cameras, candlesticks, chalk, china, cigars, clocks, combs, crockery, delicate mechanisms, dolls, drawings, electric bulbs, fans, flowers, fountain pens, glass, hats, instruments, paintings, photographs and sensitive paper and films, pipes, plaster-of-Paris articles, plumes, pottery, porcelain, phonographs and phonograph records, radio sets, radio tubes, test tubes, thermos bottles and other temperature-conserving vessels, toys of fragile nature, typewriters, watches, and wax articles.

Eggs are accepted for mailing when packed in crates, boxes, baskets or other suitable containers so constructed as to protect properly the contents. Such packages are transported outside the mailbags. All parcels containing eggs must be plainly marked, "Eggs." When necessary, a parcel should be marked, "This side up."

541. Perishable Articles. Parcels containing perishable articles should be marked, "Perishable." Articles likely to spoil within the time reasonably required for transportation and delivery are not accepted for mailing.

Butter, lard, and other perishable articles, such as fish, fresh meats, dressed fowls, vegetables, fruits, berries, and articles of a similar nature which decay quickly, will be

accepted for mailing to any office which, in the ordinary course of mail, they can reach without spoiling. They must be enclosed in crates, boxes, baskets, or other suitable containers so constructed as properly to protect the contents and prevent the escape of anything therefrom. If necessary for safe shipment, such parcels will be transported outside of mailbags. Berries, fruits, and vegetables are not accepted for mailing unless they are in good dry shipping condition.

542. Insured and C.O.D. Mail. Third-class and fourth-class mail may be insured against loss, rifling, or damage to an amount equal to its actual value or cost of repairs. The maximum amount for which a single parcel may be insured is \$200. The insurance fees are as follows:¹

Amount of insurance from \$	0.01 to \$	5.....	5 cents
	5.01 to	25.....	10 cents
	25.01 to	50.....	15 cents
	50.01 to	100.....	25 cents
	100.01 to	150.....	30 cents
	150.01 to	200.....	35 cents

Postage stamps covering the rate and the insurance fee must be affixed to the parcel. Such mail may be insured at any post office or by rural carriers, but insured mail must not be deposited in or on street mailboxes or in mail drops at post offices.

543. Special Handling. Fourth-class parcels will receive the fast handling, transportation, and delivery accorded to mail of the first class on payment of a special-handling postage charge of 10 cents in addition to the required postage for parcels weighing not more than 2 pounds; 15 cents for parcels weighing more than 2 pounds, but not exceeding 10 pounds; and 20 cents for parcels weighing more than 10 pounds. Parcels should be indorsed, "Special handling," preferably in the space immediately below the postage stamps and above

¹ All costs on various services of the post office discussed in this chapter are effective at the time of the publication of this book. The costs may be increased or decreased at any time by the government.

the address. This special-handling postage charge applies to all parcels and is especially valuable for parcels containing day-old chicks, ducklings, turkeys, etc., or baby alligators, which, because of their character, must be given special attention in handling during transportation and delivery; it also applies to other contents which the sender indicates shall be so treated. The special-handling charge does not include special delivery.

544. Special-Delivery Fees. The payment of a special-delivery fee in addition to the regular postage assures parcel-post packages getting the same fast transportation that is accorded to first-class matter, and provides immediate delivery at the office of address. The fees are as follows: 15 cents for parcels weighing not more than 2 pounds in weight; 25 cents for parcels exceeding 2 pounds but not weighing more than 10 pounds; and 35 cents for parcels exceeding 10 pounds. The payment of special-handling or special-delivery fees does not insure safety. When it is desired to send money or other valuables by special delivery, the matter should also be registered or insured.

545. The Limit of Weight. For fourth-class matter the weight limit is 70 pounds. (Parcels must exceed 8 ounces, one-half pound; those weighing 8 ounces or less are included in the third class.)

546. Limit of Size. Parcel-post matter may not exceed 100 inches in length and girth combined. In measuring a parcel, the greatest distance in a straight line between the ends, but not around the parcel, is taken as its length; the distance around the parcel at its thickest part is taken as its girth. For example, a parcel 35 inches long, 10 inches wide, and 5 inches high measures 65 inches in length and girth combined.

547. Shipping of Money. The post office has facilities for the shipping or transmitting of money, but this service will be found discussed in the chapter, *Money and Banking Services*.

EXPRESS SERVICES—Unit 3

548. **What Is Express Service?** Stated very briefly, express service is quickly handled transportation between senders and receivers of goods. Its speed, care, and convenience determine very largely the amount and character of the business handled. Passenger trains and special express trains composed exclusively of express cars are used for transporting shipments.

Express service in some form has been maintained on American railroads ever since their inception over a century ago. The principal express company of the United States is the Railway Express Agency, which is owned by the principal railroads of the country and operates over their 213,000 miles of lines.

The Express Agency has offices and agents in approximately 21,000 cities and towns in the United States, as well as some in Canada, Alaska, Mexico, Hawaii, and Havana, Cuba. At all important population centers, Railway Express provides pickup and delivery service, and in a great many cities this means complete through shipping from sender to receiver—"From doorstep to doorstep." This service is maintained within certain free zones. Upon receipt of a package for a person located outside this free-delivery zone, the express company sends a notice by postal card that a package for him is at the express office. In order to avoid storage charges, packages should be called for promptly upon receipt of such notice.

In addition to its collection and delivery service, which can be summoned by telephoning to the local Railway Express office, express shipments are accepted by Western Union offices, which, at no extra charge, will send messengers for packages upon request.

549. **Advantages of Express.** In some cases shipping by express is cheaper, and in other cases it is more expensive than shipping by parcel post. Express is faster than parcel

post because it is sent on the same trains which carry first-class mail, while parcel post may go on the slower trains. An express shipment from coast to coast will arrive approximately 24 hours ahead of parcel post. Insurance on express shipments is free up to \$50 in value, while insurance on any parcel-post shipment must be paid for extra. Making settlement for lost or damaged shipments is usually effected much more quickly by the express companies than by the Post Office Department because of less red tape.

550. Features of Express. Express service offers the following advantages:

1. A receipt is given for each shipment, and upon delivery one is taken from the consignee. Tracing delivery of an express shipment, therefore, is relatively simple, and it is performed without extra charge.

2. The receipt states that the company is liable on ordinary merchandise up to \$50 a shipment, or 50 cents a pound, without additional charge. If a greater value is declared, there is a charge of 10 cents for each \$100 or fraction thereof.

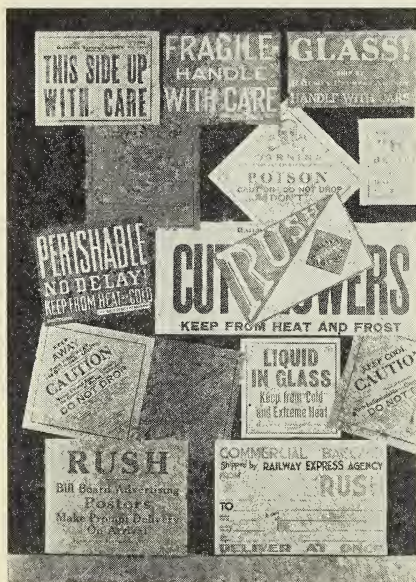
3. With few exceptions, shipments may be forwarded with express charges collect.

4. There is practically no limitation as to the character and amount of the shipment—white mice to elephants are accepted for transportation; as to quantity—an ounce to a carload. Pets receive special attention from employees trained to handle them properly. Perishable merchandise is carefully protected against damage.

5. Books and most printed matter are carried at a flat rate of one cent for each two ounces or fraction thereof (minimum 15 cents) between all points in the United States and Canada.

6. C.O.D. service is available to shippers by express. C.O.D. service is the collection of money for the account of the shipper as distinguished from a "Collect" shipment. A shipper may reduce, increase, or withdraw the C.O.D. while the shipment is in transit (on the way) or remains undelivered.

551. **Preparing an Express Shipment.** As a rule, express companies use more care in handling shipments than do other agents of transportation, but the express company will not accept a poorly packed or carelessly wrapped package. For the occasional shipper, the express company will supply free



Numerous "caution" and definitely instructive labels are used to insure safe handling of the wide variety of articles moving through Railway Express service.

one of three classes: first class, second class, or third class. The list of articles with the class and rates for each fills a book of about ninety pages. The rates are based on the nature of the goods carried and the distance it is to go. All rates are based on a weight scale of 100 pounds; for example, the express charge between San Francisco, California, and Mobile, Alabama, is \$11 a hundred pounds. This does not mean that a package weighing 10 pounds would cost one-tenth of \$11. As

of charge strong wrapping paper and twine, and will even assist in preparing the package for shipment. The shipper is asked what the package contains and the value thereof. The express agent will fill out a receipt for the package and ask the shipper to sign his name. A duplicate of this receipt is then given to the shipper so that in case of loss of the package, the shipper may have evidence for claim against the company.

552. **How Express Charges Are Computed.** All property shipped by express is considered in

the weight decreases, the rates increase about 20 per cent. First-class rate applies to all ordinary merchandise, the minimum charge being 35 cents; second-class rate, which is about 25 per cent cheaper, applies to foods and drinks, the minimum charge being 27 cents; third-class rate, applying to books, advertising and printed matter, sheet music, and a few other articles released in value up to \$10, sends matter by express to any point in the United States at the rate of 2 ounces for 1 cent, the minimum charge being 15 cents. What is known as commodity rate applies to vegetables, fresh and green fruits, nuts, etc., which go at an extremely low rate to any point in the country.

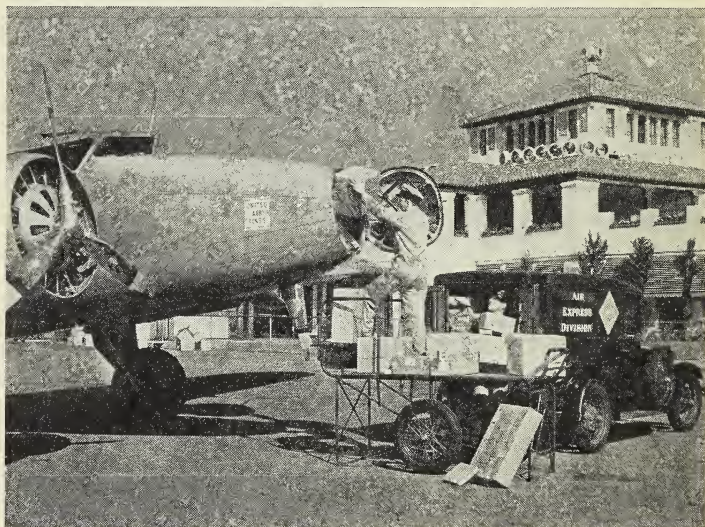
Anyone but an experienced shipping clerk in a business of considerable size will find it quicker and easier to let the agent of the local express company supply any desired information as to classification and rates rather than to figure out such points for himself.

553. When Air Express is Used. Articles for which there is a very urgent need and the loss of one day's time in sending might be serious should be sent by air express. While the charges for shipping by air are considerably higher than those for shipping on land, the additional expense should not be considered when the need for a thing is very great. Following is the list of commodities now being handled over the airlines in increasing quantities: stocks, bonds, currency, checks, blueprints, contracts, motion-picture films, photographs, vaccines, serums, anesthetics, surgical instruments, machinery repair parts, automotive parts, jewelry, cut flowers, manuscripts, special newspaper editions, racing forms. With an overnight delivery of shipments as far as 2,300 miles, it is plain that anyone wishing to send cut flowers or other perishable goods should use the air express.

The Express Agency maintains a nation-wide Air Express system, providing a high-speed service with an air mileage of 16,783 miles and serving nearly 150 principal city airports. Coördination between rail and air express places the high-

speed facilities of the air express at the command of shippers everywhere.

Railway Express Agency is also the contract agent for Pan-American Airways, providing fast international express service between principal points in the United States and those in Central and South American countries.



Courtesy United Air Lines.

Loading air express packages into the nose of a three-mile-a-minute Boeing transport plane.

554. Shipment of Money. The express company has special equipment for transporting money safely either in bulk or in the form of money orders. For discussion of express money orders see page 399 of the chapter, *Money and Banking Services*.

555. Personal Services. Agents of the express company perform many other services of a personal nature, such as:

Collecting notes, mortgages, deeds, or other valuable papers.

Securing signatures to notes, mortgages, deeds, or other legal documents.

Paying taxes, depositing funds in a bank, and transmitting and delivering papers to be filed or recorded by federal, state, county, or city or town officials.

Examining federal, state, county, or city or town records.

Purchasing or securing goods at another address.

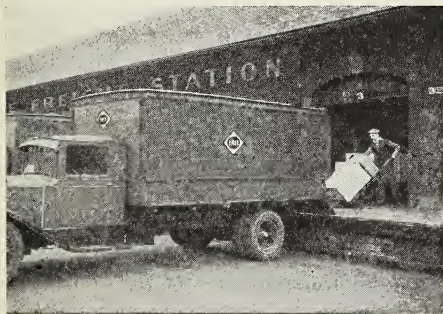
Redeeming or renewing pawn tickets or articles.

FREIGHT SERVICES—Unit 4

556. Freight Shipments. The cheapest method of shipping anything is by freight, but this does not mean that it is always the best method. Heavy or bulky goods, such as machinery, coal, iron and other minerals, which may not be damaged by extreme heat or cold, are usually shipped by freight; however, when speed is desired, other methods of trans-



Heavy shipments move rapidly on freight trains today.



Courtesy Erie R. R. Co.

Railroads now offer pickup and delivery service of freight, and even collect money for shippers on the goods shipped.

portation should be used because freight is slow-moving. By far the largest part of the goods shipped in the United States is moved by freight trains. The young person just starting in business soon learns that it pays to plan his shipments far enough in advance

so that they may come by freight rather than to wait until he is practically ready for them, thereby making it necessary for them to come by express or parcel post, either of which costs much more than freight.

557. Pickup and Delivery Service. Many railroads now offer a service by which freight is called for at the shipper's home or place of business and delivered to the consignee's



The weight of freight shipments may be lessened and the cost of shipping reduced by the use of proper containers or wrapping material.

home or place of business. In addition, some railroads now offer to collect the money value of the shipment and forward it to the consignor. These services are designed to compete with motor-truck and express competition. It is well for a shipper to find out whether he has a choice between rail and motor truck when making a certain shipment, and to inquire of the railway company whether

it can meet truck rates with pickup and delivery service.

558. Preparation of Shipments. Freight naturally gets rough handling, and for this reason railroads insist that all shipments be carefully and strongly packed in order to avoid damage in transit which might result in claims against the railroad company. It is important that freight be properly and clearly marked to show to whom it is consigned; it should bear also the name and address of the shipper. Some shippers carelessly use an old box which still contains the name or names of former users. Unless old names are completely removed from shipping boxes, there is danger of the shipment's going astray or becoming lost.

559. **Containers.** Every shipment should be packed in some kind of container sufficiently strong to withstand rough handling. The container may be a wooden box, barrel, or bundle with burlap wrappings. The classification list, on file and open to the public in every freight station, shows the method of packing various articles in order to come within the respective classifications. When articles are packed otherwise, the rate may be higher. Often it is possible to call the same article by several different names, and by choosing wisely get a lower rate. In case of loss, the shipper can recover only for the class of goods specified at the time of shipping; for example, a shipper may fill a box with second-hand books and specify that it contains old paper, which takes a much lower rate than books; but in case of loss, the railroad company will pay him only the value of old paper.

560. **Bills of Lading.** When goods are offered for shipment by freight, the railroad company issues to the shipper a document known as a bill of lading. This document acknowledges the receipt of the goods to be shipped and contains an agreement to deliver them to the consignee. Three copies of the bill of lading are required for each shipment. By the use of carbon paper, the three copies may be made at the same time. They are arranged in the following order and called: original, shipping order, and memorandum. The original and shipping order are presented to the agent of the transportation company with the merchandise to be shipped; and when this is accepted for shipment, they are signed by him. The agent keeps the shipping order, and the shipper receives the original, which should be mailed to the consignee because the merchandise in transit belongs to him, and he holds the transportation company responsible for its delivery. If the merchandise is delivered promptly and in good condition, the consignee may not be required to present the bill of lading; but if it is received in bad order or is lost in transit, the consignee will have to submit the original bill of lading as evidence of his ownership of the merchandise. The transpor-

tation company will adjust with the consignee any claims for damages to the merchandise or for loss while it is in transit.

The memorandum is retained by the shipper as his receipt for the shipment. In case the merchandise shipped is not delivered promptly, the consignee may request the shipper to ask for a tracer. This tracer is a written communication *from* the railroad agent who received the shipment *to* the railroad agent to whom it has been consigned, or to the agents at transfer points between the shipping point and destination.



Railroads still have the best facilities for moving freight long distances. One freight car can carry 40 or 50 tons while the largest motor trucks carry only about 5 tons.

561. Two Forms of Bill of Lading. There are two forms of bill of lading, straight and order. The straight bill of lading is used when a shipper sends merchandise to one of his customers on open account, or when a consignee pays for the merchandise before it is shipped. The order bill of lading is used when the shipper wants the consignee to pay for the goods before they are delivered. To accomplish this purpose, the order bill of lading is sent to a bank or to a third person with instructions not to deliver it to the consignee until he pays for the goods, and obtains the bill of lading.

Some firms have the name of their business and the articles most commonly shipped printed on their bills of lading in order to save time in marking shipments. The standard forms are furnished free by the railroads.

The size of the bill of lading makes it unsatisfactory to illustrate on the page of a textbook. The full-sized forms may be studied better in the laboratory practice set, or specimens may be obtained from any freight agent.

562. The Freight Bill. The statement showing the freight charges on a shipment is known as the freight bill. When freight is received, the agent notifies the consignee by postal card that the merchandise is available for delivery to him upon payment of the freight charges. When the consignee calls for the merchandise and pays the freight, he receives the freight bill and the merchandise.

THE ATCHISON, TOPEKA & SANTA FE RY. CO.				No. 17	
Form 1891 Regular					
STATION South Pasadena Calif				Date Feb 4 19 13	
Dear Sir:					
The freight described below, consigned to you, has been received, and is now ready for delivery upon presentation of bill of lading or other evidence of ownership.					
H P Smith				Agent	
Description of Freight	From	Freight Bill Number	Car Initials and No.	Total Charges	
One lot H H Goods					
(9) packages	Springfield	29		40	52
	Mo				
Transfers, if any—From _____ To _____					
If delivery to another is desired please sign order below _____					
Agent:—Please deliver above described shipment to party named below who will receipt for and pay charges on same.					
Delivery to be made to _____			Signature of Consignee _____		
Feb 8					
In accordance with published tariff, if shipment is undelivered after _____ 19 _____ it will be necessary to assess demurrage or storage charges.					

A postal card like this is sent to a consignee when a shipment has arrived for him at a railroad station. The consignee is expected to call for his goods and pay the charges within four days.

563. Storage and Demurrage. Railroads and steamship companies send a notice to consignees when freight for them has arrived. After 96 hours a charge is then made for storage. On carload shipments a charge is made if cars are not loaded

or unloaded within 48 hours after arrival. This latter charge is referred to as *demurrage*.

304-111-34 FREIGHT BILL		Form 1875 Regular		South Pasadena Calif Feb 4		19
		Consignee Charles A Jones 906 El Centro Street		FREIGHT BILL NO. 29		
Destination		Route StL-SF Kansas City AT&SF Belen AT&SF Coast Lines (Point of Origin to Destination)				
TO The Atchison, Topeka and Santa Fe Ry. Co.—Coast Lines; DR., For Charges on Articles Transported						
WAY-BILLED FROM Springfield Mo		WAY-BILL DATE AND No. Jan 28--3547		FULL NAME OF SHIPPER Wm C Jones		CAR INITIALS AND No. ATSF 121647
ORIGINAL POINT AND DATE OF SHIPMENT Tfr Kas City 1-29-		CONNECTING LINE REFERENCE ATSF 126906-Los Angeles 2-3		PREVIOUS WAY-BILL REFERENCES		ORIGINAL CAR INITIALS AND SF 146158
NUMBER OF PACKAGES, ARTICLES AND MARKS				WEIGHT	RATE	FREIGHT
2 Trunks H H Goods Locked corded sealed-Seals 17617-18-						
1 Crated cedar chest H H Goods.						
1 Roll rugs						
2 Barrels chinaware						
1 Carton mattress						
2 Boxes personal effects				1135	357	40.52
Rel value not exceed 10¢ per pound each article UBL						
Chgs gtd by shipper.						
Total Prepaid, \$						40.52
LOCATION		DELIVERY		BY		
		Received Payment		19		TOTAL
				Agent		Total to Collect 40.52

This freight bill, showing an itemized list of goods in the shipment and the freight charges due, is given the consignee when he calls for freight.

564. Motor-Truck Service. During recent years, highways throughout the country have been paved or oiled, thus making ideal conditions for hauling freight by motor truck. Due to the convenience and saving of money which they have offered, the business of the motor-truck lines has been growing by leaps and bounds. Motor trucks can call at a man's home, load his furniture without the expense of crating, and deliver his household goods into his new home hundreds of miles distant in much less time than that required by railroads. Or a business house can, at its own platform, load a truck in the evening just before closing time and early the next morning have the goods delivered at the door of a customer many miles distant. In some cases the cost of crating, drayage to the railroad station, drayage from the railroad station at destination, and the unpacking charges amount to almost as much as the

freight charges. It is for this reason that the motor truck has become a serious competitor of the railroad. Motor-truck lines, however, do not offer many of the facilities which railroads do, and it may be a long time before very long-distance shipping will be profitable by motor truck. Unless a truck can be sure of carrying a load both going and coming back, long-distance hauling is likely to prove unprofitable. Other disadvantages of truck shipping are the increased danger of accident, fire, and delay caused by impassable highways at certain seasons of the year. Common carriers are not responsible for loss caused by delay due to storms and other such occurrences, termed acts of God; thus the shipper is not protected when a truck is held up on a highway several days by a snowstorm. Railroads generally are in a position to move freight regardless of weather conditions, while trucks are not. Many shippers own their trucks, but constant figuring is required in order to discover whether it is cheaper to do one's own trucking or to hire it done by others.

565. **Transportation in the Future.** Predictions recently made by Leonar F. Loree are interesting. Mr. Loree, president of the Delaware and Hudson Company since 1907, also president of thirty-three railroads controlled or affiliated with it, and one of the last "railroad giants," declares:

"Railroads will always be the most economical form of transportation for long freight hauls. My dreams of the railroad future call for a few good passenger trains and much heavy freight—and increased speed of freight trains. I'd say good-by to most of the passenger business. I expect the pleasure car to supplant the bus, and improved railroad facilities to outmode heavy trucks."

Questions on the Text

Sec. 525. How did primitive man carry things from place to place? After the days of primitive man, how did man gradually learn to use more rapid means of transportation? What means of transportation does man now have?

Sec. 526. Upon what does one's choice of route and method of shipping depend? Name the several methods by which goods may be transported.

Sec. 527. Which agency is most often used by shippers? Which agency carries the next highest number of lightweight packages? For what purposes are other shipping agencies used?

Sec. 528. Define the following: cargo; shipment; classification; tariff; rate; C.L.; L.C.L.; common carrier; private carrier; consignor; prepaid; C.O.D.; collect; F.O.B.

Sec. 529. Who usually pays the expense of shipping? Should the buyer or the seller state the means by which the goods are to be shipped? What other matters should he determine?

Sec. 530. What is a common carrier? What common carrier is used most in this country? What type of shipment goes first-class? second-class? Name other classifications.

Sec. 531. Name some of the matter shipped by third-class mail. What is the weight limit? What explanations and directions must be placed on the wrapper of third-class mail? What else may be written or printed there?

Sec. 532. What is another name for fourth-class mail? What are some of the things that can be shipped in this class? Why is this method of transporting goods considered a very convenient one? What protection against loss is provided? How are the rates figured? What is meant by a zone?

Sec. 533. Besides the address to which the package is directed, what other information must the wrapper bear?

Sec. 534. What information is permitted to be placed on the wrapper or label of fourth-class matter? What may be written within the leaves of a book sent fourth class?

Sec. 535. What kind of written or printed enclosures may be included with articles shipped fourth class? What information is permitted on an enclosed bill? What type of information is not permitted to be enclosed?

Sec. 536. How may a first-class communication be sent along with a parcel shipped at the fourth-class rate? How are the stamps affixed? Does this procedure affect the rating of the parcel?

Sec. 537. Under what conditions may sealed parcels be sent at fourth-class rates?

Sec. 538. What must be kept in mind when wrapping second, third and fourth-class matter? When it is not so wrapped, how may this matter be classed by the inspectors? When it is found to contain writing not authorized by law, how will this matter be treated?

Sec. 539. Why should all matter sent through the mails be securely wrapped? If a parcel is improperly or insufficiently wrapped, how may it be treated by the postal authorities? What are the disadvantages of weak or otherwise unsubstantial wrappers for parcel-post shipments? Under what conditions may parcel-post mail be sent in nailed boxes? Why should not parcels be addressed on both sides?

Sec. 540. What should be done to protect easily-broken articles from damage in the mail? Name a number of fragile articles. Under what conditions are eggs accepted for mailing? Are they usually placed inside the mail bags? When shipping eggs, it is advisable to place what markings on the parcel?

Sec. 541. How should parcels containing perishable articles be marked? What is the attitude of the postal authorities towards matter so easily perishable that it may not remain in good condition throughout a reasonable period for delivery? What are some of these articles? On what conditions may they be accepted for shipment? On what conditions are berries, fruits, etc., accepted for mailing?

Sec. 542. Against what may third and fourth-class matter be insured? To what amount may they be insured? What is the maximum amount for which a single package may be insured? What are the fees? Who has the authority to insure parcels? Where must insured mail be mailed?

Sec. 543. What is meant by "Special Handling"? What is the amount of the fee for a package weighing up to 10 pounds? for one weighing over 10 pounds? Where on the parcel is it advisable to mark, "Special Handling"? What merchandise is often sent in this manner? Does special handling include special delivery?

Sec. 544. What is meant by special delivery? What is the fee for a parcel weighing not more than 2 pounds? over 2 pounds but less than 10? for a parcel exceeding 10 pounds? Does the fee include the regular postage? Does it insure safety?

Sec. 545. What is the weight limit for fourth-class matter? How must parcels weighing less than one-half pound be sent?

Sec. 546. What is the size limit for parcel-post packages? How is the size-limit determined? Give an example.

Sec. 548. What is express service? For what reasons is it largely used? How are the express shipments made by the railroads? About how long have the American railroads been carrying express shipments? What is the principal express company in the United States? Who are the owners? Over how many miles of roadbed do the owners operate their express service? Approximately how many Railway Express Agency offices are there in the United States? Where are others located? What is meant by express pickup and delivery service? Is this service free? How are deliveries made to persons living outside the free zone? What should one do to avoid storage charges on express shipments? What large company will pick up parcels for express shipments when it is requested to do so?

Sec. 549. Which method of shipping is the cheaper, express or parcel post? Which is the faster? Why? Up to what value does the express company insure shipments free of charge? Is any part of parcel-post shipments insured without charge to the shipper? Is settlement for damages effected more rapidly by the Post Office Department or by the express company? Why is this?

Sec. 550. Why is it easy to trace delivery of an express shipment? Is there an extra charge for this service? For what amount does the receipt specify that the company is liable? If a greater value is placed on the shipment, what is the additional cost of insurance coverage? If charges are not paid by the shipper, how are they eventually collected? What limitation, if any, is made as to character of shipment? What quantity is acceptable? What care is given

to pets shipped by express? to perishable merchandise? What is the rate for books and printed matter? What is meant by C.O.D. service?

Sec. 551. What will the express company do if a poorly packed or poorly wrapped package is offered to them for shipment? What aids in wrapping and packing does the express company give the occasional shipper? What questions must the shipper be prepared to answer when he offers a package to the express company for shipment? What does the express agent then do for the shipper?

Sec. 552. What are the classes of matter sent by express? Upon what are the rates based? To what type of merchandise do the first-class rates apply? What is the minimum charge? Second-class rates apply to what type of merchandise? How much cheaper is this rate than that of first-class? To what does the third-class rate apply? How does this rate compare in cost to first and second-class rates? To what does commodity rate apply? How should an inexperienced person go about getting the quickest and best information for his particular type of shipment?

Sec. 553. What type of shipments are sent by air express? How do the rates for land shipments compare with the rates for air shipments? What are some of the commodities now being shipped by air express? For approximately how many miles distant can an overnight shipment be made? About how many of the principal cities are benefited by this service? What is meant by international express service? What two large companies have contracted to carry out this service? Between what principal points does it operate?

Sec. 554. How does an express company transport money?

Sec. 555. What are some of the many personal services performed by an express company?

Sec. 556. What is the cheapest method of shipping? What are some of the goods commonly shipped in this manner? When speed is necessary, why is it best to seek other means of transportation? What method of transportation carries the greatest part of the goods shipped in this country? Why does it pay to make one's plans considerably ahead of time for freight shipments?

Sec. 557. What is the new service offered by many railroads to compete with that of the motor truck? When a shipper has his choice between motor-truck and freight service, what inquiries should he make?

Sec. 558. How should shipments by freight be packed? Why? How should freight shipments be marked? What are some of the careless things sometimes done by freight shippers?

Sec. 559. What are some of the containers used for freight shipments? Where can one find a list showing the method of packing various articles so that they may come within the most advantageous classification? If improperly packed, how may this affect the rate? In case of loss, how does the classification of the goods affect the adjustment by the railroad company?

Sec. 560. When goods are offered for freight shipment, what is the document offered to the shipper by the railroad company? What is a bill of lading? How many copies are made? What are they called? Who gets these copies? What does the shipper do with his copy? Why does the shipper send his original copy to the consignee? If the merchandise is received in bad order by the consignee, what procedure should he follow? If the consignee does not receive his shipment within a reasonable time, what request is he likely to make of the shipper? What is a tracer?

Sec. 561. When is a straight bill of lading used? When is an order bill of lading used?

Sec. 562. What is a freight bill? How is a person notified when his freight has arrived? When does he receive the freight bill?

Sec. 563. How many hours after freight arrives do storage charges begin? How many hours are allowed to elapse for the unloading of carload shipments before a charge is made? What is the term applied to this latter charge?

Sec. 564. What is motor-truck service? Why is this method of transporting goods growing rapidly? How is it particularly convenient for some business houses? Do the motor-truck lines or the railroads offer the better facilities for long-distance shipping? Why may it be unprofitable for motor-truck lines to haul a shipment for a great distance? What are termed Acts of God in relation to shipments by common carriers? What protection does a shipper have in case of delay caused by these Acts of God? Which is more likely to be affected by the Acts of God, the railroad or motor-truck service? How do some shippers handle their own transportation?

Sec. 565. What are some of the predictions for the future of the railroads?

For Class Discussion

Sec. 525. What are some of the methods which we employ to bring to us, from all over the world, the things that we desire? What were some of the transportation methods used before the modern steamboat, the railroad, and the gasoline motor came into use?

Sec. 526. Do you think all merchandise should be shipped over the same routes and by the same methods? Give your reasons. Show by example how one business house might in one day use several methods of shipment.

Sec. 527. What are the most common agencies used for shipping goods from one place to another? When should each be used?

Sec. 528. The price of a certain automobile is advertised, "\$510 and up, list at factory, Detroit, special equipment extra." Do you think a purchaser could drive the automobile out of the factory by paying \$510? The same machine, when bought on the Pacific Coast, including freight, so-called special equipment, such as bumpers, spare tire, etc., and various federal and state taxes and license fees, costs the purchaser about \$850. What are the difficulties in advertising in magazines of national circulation the price of the car delivered? How should the F.O.B. Detroit price be advertised? How should the delivered price be advertised in local newspapers?

Sec. 529. Explain how the buyer, directly or indirectly, pays the expense of shipping.

Sec. 530. What is the most generally used common carrier in the country? What are the different classifications of its service? What is included in first-class?

Sec. 531. What do you think makes up the bulk of the third-class mail? What is meant by proof sheets? corrected proof sheets? manuscript copy? What kind of merchandise is usually sent third-class?

Sec. 532. Why do you think parcel-post service is so generally used? Explain how parcel-post shipments can help to reduce the high cost of living. Give an example of what parcel post can do for the farmer.

Sec. 533. Why must all parcels of the fourth-class be marked with the sender's return address?

Sec. 534. Why isn't a person allowed to include in fourth-class matter all the writing he pleases?

Sec. 535. Why is it permissible to enclose an invoice in a parcel-post package? What information is not permitted on the invoice if it is sent in this manner? Why can't other invoices, bills, and statements be enclosed?

Sec. 536. Give an example of an instance when it might be advisable to attach a letter of the first-class to a package being sent fourth-class. Does the package treated in this manner travel in the faster first-class manner, or does the first-class letter have to follow the slower fourth-class package?

Sec. 537. Why should a person want to seal fourth-class matter?

Sec. 538. What happens to a person if he sends written material as fourth-class matter, and it is discovered by the postmaster in the city to which the package is sent?

Sec. 539. Explain how to wrap and tie a parcel. What are some of the reasons for wrapping parcels well? For what reasons do the postal authorities examine the contents of a parcel sent fourth-class mail? What may happen in transit to a poorly or improperly wrapped parcel? Why does it cost so much more to ship goods into the 8th zone than into the 2nd zone?

Sec. 540. Name three fragile articles and explain how you would wrap them for parcel-post shipment.

Sec. 541. Name a perishable article and state both to what point it could be safely shipped and to what more distant location it would not be acceptable for delivery. What are some of the particular precautions used to insure the safe delivery of perishable articles?

Sec. 542. Is it a waste of money to insure parcel-post packages? What packages, if any, would you advise one to insure? From whom is the insurance purchased? In what manner is this shown on the package? For whose benefit is the insurance purchased? What record does the sender have of this insurance?

Sec. 543. Under what conditions would it be advisable to purchase a special-handling stamp? Does this stamp include the regular postage on the parcel? What does special-handling service include?

Sec. 544. For what does the special-delivery fee pay? Explain the difference in handling two identical parcels, one sent the regular way, and the other sent special delivery. When, if ever, should a special-delivery parcel be insured?

Sec. 545. Why is there a weight limit on parcel-post packages?

Sec. 546. Why is there a limit on the size of parcel-post packages? Give the dimensions of an imaginary parcel and then figure its length and girth.

Sec. 547. What is the most common form used for sending money through the Post Office Department?

Sec. 548-550. What are the advantages and disadvantages of shipping by express over shipping by parcel post?

Sec. 551. How would you go about sending a parcel by express?

Sec. 552. Why do you think the express company charges different rates for different classes of goods?

Sec. 553. What are the advantages and disadvantages of shipping by air express? How do the rates compare with land rates? Under what circumstances would it be good business to use air express?

Sec. 554. In what ways can one send money by express?

Sec. 555. Why do you think the express company offers so many personal services? Is it really able to perform them?

Sec. 556-563. What are the advantages and disadvantages of shipping goods by freight rather than by parcel post, taking into consideration cost, speed, ease of packing, and convenience?

Sec. 564. Tell why you think the motor truck has proved a benefit or a detriment to society?

Sec. 565. What predictions do you make for transportation in the future?

Thought Questions and Problems

Sec. 525. Select some article of food, clothing, or furniture that came from a distant place and name the probable routes and carriers that brought it here.

Sec. 526. Name other methods of shipping besides those mentioned in this chapter, such as the methods used high up in the mountains, where there are no roads, or those used across the hot deserts and in the frozen north.

Sec. 527. In shipping goods from the Eastern part of the United States to the Pacific Coast, shippers have the choice of shipping by

boat via Panama Canal, by slow freight, by fast freight, or by express. Give examples showing when each method may profitably be used. Raw silk is often shipped from China or Japan to Paterson, New Jersey. A shipment is worth many thousands of dollars, and it is heavily insured. By what method should two carloads be shipped?

Sec. 528. Give examples showing the use and meaning of the terms C.O.D. and F.O.B.

Sec. 530. Explain the difference in the method of handling first-class and second-class mail.

Sec. 531. What types of business houses send much of their merchandise by way of third-class mail? How is this possible?

Sec. 532. Look up *parcel post* in an encyclopedia or any other reference book and be able to tell about its history and development.

Sec. 537. Why do you think it is allowable to seal fourth-class matter if the directions given in this section are followed?

Sec. 538. What classes of mail may be opened for inspection by the postal authorities? What class of mail may not be opened by the postal authorities?

Sec. 539. How might some damage be caused by improperly wrapped packages? How might postal workers be injured by articles improperly wrapped or packaged?

Sec. 542-545. The information contained in these sections and the parcel-post table given below will aid you in solving the problems that follow.

PARCEL-POST RATES

RATES			DISTANCES	
ZONE	FIRST POUND	ADDITIONAL POUNDS	ZONE	MILES
Local	7c	1c each 2 pound	Local	Same Locality
1	8c	1.1c each pound	1	Up to 50
2	8c	1.1c each pound	2	50—150
3	9c	2c each pound	3	150—300
4	10c	3.5c each pound	4	300—600
5	11c	5.3c each pound	5	600—1000
6	12c	7c each pound	6	1000—1400
7	14c	9c each pound	7	1400—1800
8	15c	11c each pound	8	Over 1800

1. Find the cost of mailing the following packages uninsured:
 - a. 28 pounds, local zone.
 - b. 16 pounds, zone 4.
 - c. 26 pounds, zone 8.
 - d. 22 pounds, distance, 75 miles.
 - e. 30 pounds, distance, 1155 miles.
 - f. 18 pounds, distance, 2843 miles.
 2. What will it cost to send a package weighing 16 pounds a distance of 1125 miles, special handling, insured for \$75?
 3. What will it cost to send a package weighing 42 pounds a distance of 1546 miles, special handling, special delivery, and insured for \$125?
 4. What will it cost to send a package a distance of 2800 miles if the package weighs $24\frac{1}{2}$ pounds and it is insured for \$12?
- Sec. 548. Look up the history of express in an encyclopedia or other reference book and be able to tell about its development.
- Sec. 549-552. 1. Find out from the express company, or arrange for a member of the class to find out, how much it would cost to send by express the packages mentioned in Problems 1-b, 1-d, and 4, under Sec. 542-545 above. How do the express rates in these problems compare with the parcel post rates.
2. Find the cost, by both parcel post and express, of shipping 12 pounds of books a distance of 200 miles; find the cost for shipping the books a distance of 2800 miles.

Sec. 556. Find out what it will cost, both by freight and express, to ship a box of books weighing 175 pounds to a city about 200 or 300 miles away. If the charge does not include pickup and delivery service, be sure to add this cost.

Sec. 557. If there is railway freight service in your city or community, find out whether pickup and delivery service is available.

Sec. 564. Find out what it would cost to move your household furniture, by freight and also by motor truck, from your home to a house in a city somewhere between 100 and 300 miles away.

Word Study for Chapter XVII

SECTION

566. **Rendered**—given; delivered; furnished; performed.
Insistent—calling for immediate attention; eager; urgent.
Originates—starts; begins; creates; invents.
568. **Lax**—slack; not strict; not firm.
Reduce—decrease; lessen; lower; diminish.
569. **Efficient**—skilled; able; competent.
Extension—a lengthening or spreading out; enlargement.
571. **Calamity**—great misfortune; trouble; disaster; mishap.
572. **Protective**—keeping safe; shielding from danger; sheltering.
Navigable—water deep enough for a ship to travel.
573. **Enormous**—greatly exceeding the usual size or number; huge; gigantic.
574. **Assess**—to value for taxation purposes; estimate; appraise.
Ultimate—last; final; farthest removed.
575. **Revenue**—income; the amount collected as taxes.
576. **Levying**—raising or collecting by force or authority, as the imposing of a tax to raise money.
Patronizing—dealing with as a customer; supporting or protecting; favoring.
Legitimate—lawful.
Consequently—therefore; following something else as a natural conclusion.
578. **Resentful**—full of anger or displeasure because of a wrong.
Moderate—medium; limited; not extreme; reasonable.
581. **Preference**—anything that is chosen more than another; most desirable.
Squandered—wasted; spent in an extravagant manner.
584. **Automotive**—having to do with automobiles or with anything that runs on its own power.
586. **Comparatively**—likened, considered, or compared with other things or conditions.
587. **Aggregating**—totaling; amounting to; collecting or bringing together.
589. **Dispense with**—give up or go without.

Pretest for Chapter XVII

1. How many services can you name that you may obtain in your community without having to pay out money for them?
2. Do you consider yourself a taxpayer?
3. Should a person who pays no taxes care whether the taxes paid by others are increased?
4. What public conveniences are you using every day for which other people pay and for which you may be paying nothing?
5. Do you think it is fair or unfair to be charged for a fishing or a hunting license?
6. Why is the state more likely to build better roads and bridges than private contractors would build?
7. When the government needs more money, why does it not print the money instead of borrowing it from the people?
8. In what way do people pay taxes today without realizing that they are paying them?
9. What are two purposes of taxing goods which are brought in from foreign countries?
10. How may a city get rid of an undesirable business without having the police close it up?
11. Do you think that a family which owns its home should pay more taxes than a family which does not own a home?
12. Why should a young person, who is choosing a city in which to settle permanently, be interested in the tax rate in the city?
13. Name five things that a person should consider in choosing a location in which to live?
14. Do you think it is a good plan for people to go into debt for present living expenses and expect their children to pay the debt later?
15. What reasons can you give for taxes on a \$3,000 home in one city being twice as high as the taxes on a similar home in another city?
16. How many kinds of taxes can you name that an automobile owner pays in your state?
17. Do you know which states have the highest gasoline taxes?
18. What is the only way by which a person may escape paying taxes?

CHAPTER XVII

PUBLIC SERVICES—Unit 1

566. **What Modern Living Demands.** The never-ending desire of man to raise his scale of living results in a demand for countless services which can be rendered only by a government. The need for such services begins around our own homes and finally extends to our national government at Washington. Every man, woman, and child throughout the twenty-four hours a day is making use of services which are



The more services we demand, the more we must dig down into our pockets to pay for those services.

provided *by all* the people *for all* the people. Everyone feels free to make use of such services as schools, parks, libraries, roads, sidewalks, and street lights. No one hesitates to call the police or fire department when their services are needed.

Most young people and many adults seem to have the idea that all such services are free, and that a Santa Claus of some kind pays for them; consequently there is an insistent demand for more and more services of every description imaginable. Someone is constantly thinking up a new kind of service, which he feels he should have, and is using his efforts to get other people interested in the same idea. Very often the person who originates a new type of service sees some way by which he especially will gain from it, whether others do or not. Nevertheless many of our public services, which we now take

almost as a matter of course, originated in just this way. The public adds constantly to its own services.

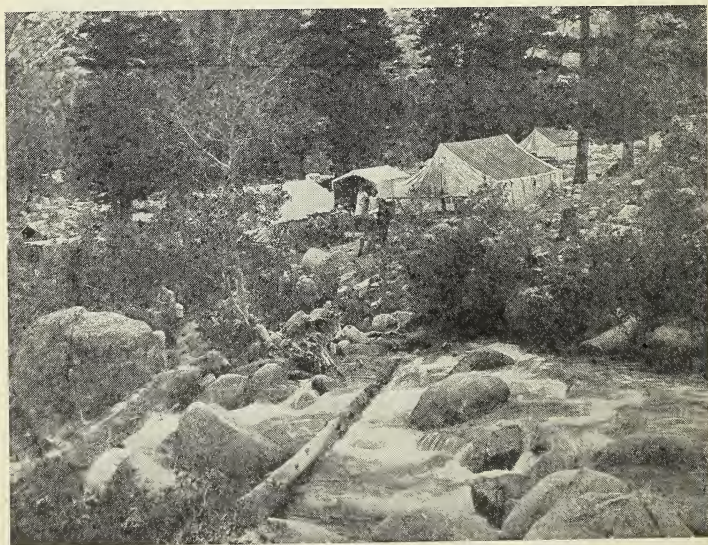
567. Every Kind of Service Costs Money. One of the first lessons which every young person needs to learn is that every kind of service is costing him something. The costs of public services are no different from those of private services. No one is standing around waiting to serve us just for the fun of it. The cost of all public services is collected from each individual in the form of a tax. Sometimes this tax may be hidden so that we do not notice it; nevertheless it exists. Every candy bar, ice-cream cone, theater ticket, bus ride, pen, pencil, or textbook carries a tax which helps to pay for the services used in everyday life by every boy and girl.

568. Why You Should Be Interested. Every person should be interested in anything that is costing him money, because to get money requires labor—often very hard labor—and when we labor, we want something of value in exchange for it. Unless we get our money's worth, we are being cheated. When part of the money we receive for our labor is taken away from us in the form of a tax for which we receive little or nothing in the way



of benefit, it is time for us to be interested in taxes. Just as soon as we are old enough to vote, we can protest against any tax which we think is unfair or unnecessary. Until we are able to vote, we should take an active interest in every kind of tax and use our influence with the older members of the family who may be lax in the matter. In doing this we become not only good citizens but also real helpers in matters of taxation. All through the four years of high school young people may well give some thought as to how they are going to help reduce the rising cost of public services when they are old enough to vote.

569. City Government Services. Every community needs an efficient police force and should be willing to pay for the services of intelligent men to protect its people from burglars and bandits. Employing unintelligent men on a police force is poor economy at any price. It would likewise be poor economy to maintain a fire department and refuse to pay for first-class equipment or for an extension of water mains and an efficient pumping station. Everyone who rides a bicycle or drives an automobile realizes that a paved street saves more money than it costs, and that a well-lighted street prevents accidents. Streets that are kept clean save doctor bills. The employment of a health officer saves one's family from contagious diseases, provided that the officer does his duty in inspecting the milk and other foods which we consume each day. There are dozens of other services desirable in every community, for which people must pay in the form of taxes.



Taxes are used to protect forests, establish sanitary camp grounds, and stock the streams with the kind of fish that anglers want to catch.

570. County Government Services. In each state there are a number of counties, or parishes, which must provide services for those living in both towns and country. There must be a courthouse where we can secure justice when we are injured or cheated by other people, where we can record a deed, or where we can secure a license to go fishing or hunting. We cannot expect someone to keep our streams and forests stocked with game for our pleasure unless we pay for it. We must provide some place to take the many persons who are injured or killed in automobile accidents and have no money to pay for hospital or funeral services. When the county protects our homes against floods or our orchards against parasites, we must expect to pay for the service, and it is only right that we do so because it should save us money. The county must provide schools for the country children the same as the cities do. All of these services are necessary for modern living.

571. State Government Services. There are many services which can be performed more cheaply by a state government than by the several local governments. In order to have these services, we must elect a governor and legislators to make state laws, judges for state courts, and officials for other state departments rendering services. People want their state government to see that taxes are collected from everyone; then they want the state government to provide equal school opportunities for all the children of the state; they want it to furnish inspection of foods, drinks, school busses, elevators, and working conditions in factories. People want the state to have good roads throughout—even into the mountains and deserts; they want state highway patrols; they want regulation for the safety of banks and of building and loan associations. People also want a state militia, or national guard, to protect life and property during a riot or a calamity. They want many, many other services which can best be performed by the state. These services are valuable and generally necessary.

572. National Government Services. Certain services which all the people want can be rendered satisfactorily only by the

national government. All our money must be issued by the federal government, and it costs money to print money. The national government could not pay its expenses by simply printing the money it needs any more than could an individual, even if the individual had the right to print money. Such money, without wealth behind it, would soon become worthless, and people would refuse to accept it. The government spends much money to prevent counterfeiting, another of its public services protective in nature. People of the nation demand an army and navy to protect them from foreign countries should they try to invade our lands. People demand that our rivers be kept navigable and our national parks be developed and maintained for our vacation use. Our business men demand that our national government keep representatives in other countries to look after our trade relations. People demand that the national government see that we are not overcharged for transportation, communication, and other public necessities. All of these and many other services cost money, but they should save us more money than we pay out for them.

573. Our Biggest Business. Because it must serve all the people, the business of government is the most important business in every country. About one out of every five persons in this country works for the government. Not one of them works for nothing, and as said before, the government cannot simply start its printing presses to running when it needs money to pay for the services of its helpers. All money must be collected from the people in the form of a tax of some kind. Every dollar that the government gives to people must be taken from the people. Every man is very careful about spending his own money, and he usually sees to it that he gets full value for every dollar spent. This is not always true, however, when it comes to spending other people's money. For this reason, there is an enormous amount of waste in government services, and very often much graft. When working for an individual or private firm, a man knows that he

must earn his wages or get out; but in working for the public, some people see how much pay they can get with the least possible effort. There is no doubt that many services performed by every government are unnecessary or cost more than they are worth. Since every person today, young or old, is a payer of taxes, it behooves every one of us to see to it, as far as possible, that we are not paying for useless things.

574. Kinds of Taxes. Taxes are sometimes spoken of as direct and indirect. It is direct taxation when the tax collector visits a home and assesses the house, lot, and furniture, or when we are charged for a license, or when a worker is called upon to pay to the government a part of his income. It is indirect taxation when the tax is collected through someone else, as is the case when a buyer gets a pound of coffee or tea, and the tax being added to the selling price of the article, the buyer pays it without realizing it. This is called passing the tax to the ultimate consumer. Most taxes on corporations are passed on to the ultimate consumer; for example, a tax on a gas or telephone company is collected from the users of the gas or from the subscribers to telephone service by including the tax in the rates charged. When a public utility company's tax is raised without its being permitted to increase its rates, it must make up the loss through decreased service or in some other way. A renter may think that he is not paying taxes, but he really is, because the owner of the property includes the tax in the amount of rent charged. By far the larger part of the ordinary person's taxes is indirect. These indirect taxes are sometimes spoken of as "painless" taxes.

575. Taxes to Regulate. Taxes are used for two purposes: first, to produce revenue for the government; second, to regulate or to destroy. Taxes placed upon goods brought into this country from foreign countries are called taxes on imports, or duties. When it costs more to manufacture goods here than abroad because of higher wages paid in this country, or because of the government's wishing to encourage a new industry within its own borders, a tax is levied upon imported

articles. Such a tax accomplishes a double purpose: it produces revenue, or income, for the government, and it protects the maker of the goods at home. We say it protects the maker of the goods because if it were not for the tax, the foreigner could sell his goods more cheaply than the American could, and the American would have to go out of business. States may not levy taxes on imports or upon goods coming from other states, but states may levy income taxes, and cities may tax local merchants and manufacturers for the privilege of doing business within their limits; they may also tax property and goods. The power to tax carries with it the responsibility of protecting the public by means of taxes.

576. Taxes to Destroy. There are times when the government wishes to destroy a certain business or industry, but it has difficulty in doing so because of certain laws or public opinion. The desired result is accomplished by levying a tax so high that no one can pay it and stay in business; for example, if the government wants to prevent its citizens from patronizing a gambling ship anchored on the high seas outside of the government's jurisdiction, legally it can not disturb the ship, but it can place such a high tax on water "taxis" plying between the shore and the ship that very few patrons would be willing to pay for the service.

The power to destroy may work against a legitimate business also. When a manufacturer of a certain product in one state is taxed higher than like manufacturers in other states, the one paying the higher tax may find it impossible to compete with the others; consequently, he may have to go out of business. The power to tax is also the power to destroy.

577. When Taxes Become Unbearable. The natural tendency of man is constantly to want something; he is never entirely satisfied but is continually wanting more and more. All of us like to be served by others, and some persons delight in demanding services whether they need them or not. It would seem only fair that those who want special services

which most people are willing to do without should have to pay the entire cost of such services themselves. Unfortunately this is not the case with public services. Very often a mere handful of people demand a certain service, and the entire community is called upon to pay for it. The taxes necessary to provide all the services people may want soon reach a point where the tax payments become a real burden to the great mass of people with small incomes, just the same as when a person buys more things on the instalment plan than he can pay for out of his weekly or monthly income. When a multitude of services, some of which seem entirely unnecessary, means keeping one's nose to the grindstone all through life without any time or money left for himself, the question of the worth of the services arises.

578. Unfair Taxes. Unfair taxes cause most people to be resentful and they resort to every means to dodge the tax collector.

Escaping taxes is difficult for many persons, especially for those in moderate circumstances who own their homes and are permanently located. In most states a man is not taxed on his possessions unless he lives in the state for more than six months of the year. Some rich people have



The home, because it is easily located, always makes the best target for tax collection purposes.

learned that by living during different parts of the year in several different states, they can greatly reduce the amount of their taxes. Tangible property, that is, any kind that can be easily seen or located, is always a target for the tax collector. It is usual for every person to report his taxable property at its lowest value not at what he has paid for it, but for what it would probably sell if put up at auction. The government expects every person to pay only the smallest amount of taxes that he can prove he owes. Many persons pay more taxes than

they owe. The average person is willing to pay reasonable taxes provided that he benefits accordingly.

579. Live Where Taxes Are Lowest. The cost of taxes varies in every state and in every town, depending upon the following causes:

1. The wealth of the community.
2. The number of wealthy people that can be taxed.
3. The desires of the people in a community as to the amount of services they wish.
4. The care by which the people select their officials to run their government.
5. The skill which the officials of the government use in spending the tax money.
6. The amount of protest which people put up when taxes get too high.

Just as soon as taxes in a community get unreasonably high, people who are free and foot-loose move to some other place where taxes are lower. Of course, a person who is permanently located and holding a good job cannot always do this, but young people just getting ready to establish a home somewhere can well afford to give a great deal of thought to the matter of taxes before deciding on a place to settle. To live in some cities will cost much more than it does to live in others having services equal to those of the more expensive places.

States that have little important manufacturing or few rich natural resources, such as agriculture, minerals, fisheries, and timber, have very few sources for securing revenue. The automobile has become a favorite tax source which can be counted upon to produce revenue. As a large part of nearly every person's income today is spent in one form or another on owning and operating an automobile, it is clear that a young person, in selecting a place to live, should be particularly interested in the license fees, the personal property tax, and the gasoline tax levied by the state in which he expects to make his home.

SELECTING YOUR FUTURE HOME—Unit 2

580. **Picking a Town in Which to Live.** There are five things to consider when choosing a place to live:

1. The opportunity for work.
2. The scale of wages paid for different kinds of work.
3. The cost of living in any given state or community.
4. The amount of taxation required of its residents.
5. The general conditions of climate and weather.

In certain localities the scale of wages and the cost of living equal those of other places, but the taxes are much higher. Living in a highly-taxed community may mean working harder and having less to spend for personal or family use. There is little pleasure in laboring in order to provide money for others to spend or for services which one does not want or need.

581. **Where is a Good Place to Live?** No answer to the question "Where is a good place to live?" would be satisfactory to everyone, because people's preferences are so varied. Many poor people have the idea that the cheapest place to live is in a community where there are many other poor people. This may be a great mistake. Poor people need many of the same services that the rich need, such as good schools, paved streets, police and fire departments, health protection, parks and playgrounds. When all the people of a community are poor, the taxes on each individual must necessarily be high in order to pay for these services. A poor person who lives in the vicinity of people of wealth may enjoy many extra advantages which the wealthy people pay for because of their large holdings. Then again, people in a wealthy community usually have the time and ability to see that their tax money is properly spent and not squandered by unintelligent city officials. Rich people, as a rule, are more careful in the selection of those whom they elect for public office. These as well as many other considerations enter into the determining of a good place in which to live.

582. Why Taxes May Be High. The cost of living, for either an individual or a community, is always lowest when the "pay-as-you-go" plan is used. This is because we are not paying interest on old debts or paying for a "dead horse," so to speak. One of the favorite plans in the past has been for people to go into debt for services which they desire and to let the future generation pay the bill. Just as soon as you who now read these lines go out into the world and earn some money, you will probably start to help pay some of these



Paying an old debt is like paying for a dead horse. How would you like to be called upon now to help pay for the hay the fire department horses ate thirty years ago?

old debts that have been passed on to you. If you believe this to be fair, then you will be justified in going into debt for your desires and letting future generations pay for the services which you will use.

583. Where Taxes Are High. The easiest thing to tax is real estate. For this reason many people prefer to

rent rather than to own a home. Of course, the renter pays taxes when he pays his rent, but he is free to pick up and leave town any time that taxes get too high. In one city, for example, the taxes on a little \$3,000 home with \$500 worth of furniture are \$110.15 a year, while in another city—a more desirable city in which to live, only thirty miles away—the taxes on a similar home are only \$69.50. The high taxes in the one city are due to an overlapping of the city and county governments and for the paying of old debts. It is claimed that the people in that city are today paying the salaries of officials who served as far back as twenty-five years ago, and for the hay that the horses ate before the time when automobiles were used in the police and fire departments. As the wages paid in this highly-taxed town are no more than the wages paid elsewhere, the question is, why should a person choose to live there?

584. Taxes on Automobiles. Owners and operators of automobiles in the United States paid taxes of \$45.41 a vehicle on a national average in the year 1934, according to a survey of states just completed by the American Petroleum Institute. The highest automotive taxes were paid in Florida, and the lowest in the District of Columbia. The heaviest levies on motorists were found to be in the form of gasoline taxes, which amounted to \$30.48 a vehicle. In some states the license fee on a car may be more than the value of the car itself. The heavy tax burden had its origin many years ago in the then plausible argument that motor vehicles were luxuries and should be taxed as such. That is not true today. Ownership of an automobile no longer implies the possession of more-than-average personal wealth.

585. Gasoline Taxes in Fifty Cities. The following list shows the taxes on gasoline in fifty representative cities for September, 1934, according to data from the National Petroleum News.

		<i>Total cost a gallon— cents</i>			<i>Total cost a gallon— cents</i>
<i>Tax</i>			<i>Tax</i>		
Atlanta, Ga.	7	22.0	Minneapolis, Minn. . .	4	16.9
Baltimore, Md.	5	18.6	Mobile, Ala.	8	22.5
Birmingham, Ala. . .	8	20.0	Newark, N. J.	4	17.8
Boston, Mass.	4	16.0	New Haven, Conn. . .	3	16.3
Buffalo, N. Y.	4	18.5	New Orleans, La. . . .	7	20.0
Butte, Mont.	6	23.0	New York, N. Y.	4	17.5
Charleston, S. C. . . .	7	20.7	Norfolk, Va.	6	19.7
Chicago, Ill.	4	17.3	Omaha, Nebr.	5	17.4
Cincinnati, O.	5	15.5	Peoria, Ill.	4	13.9
Cleveland, O.	5	17.5	Philadelphia, Pa.	4	17.5
Columbus, O.	5	17.5	Pittsburgh, Pa.	4	18.0
Dallas, Tex.	5	16.0	Portland, Me.	5	19.2
Denver, Colo.	5	20.0	Portland, Ore.	6	21.0
Detroit, Mich.	4	18.0	Providence, R. I.	3	14.0
Fall River, Mass.	4	16.5	Richmond, Va.	6	20.0
Houston, Tex.	5	18.0	Rochester, N. Y.	6	18.0
Indianapolis, Ind. . .	5	19.9	St. Louis, Mo.	3.5	17.0
Jacksonville, Fla. . .	8	20.0	St. Paul, Minn.	4	16.9
Kansas City, Mo.	4	15.0	Salt Lake City, Utah. .	5	18.0
Little Rock, Ark.	7.5	21.0	San Francisco, Calif. .	4	18.5
Los Angeles, Calif. . .	4	17.5	Savannah, Ga.	7	21.0
Louisville, Ky.	6	20.0	Scranton, Pa.	4	18.0
Manchester, N. H. . .	5	19.5	Seattle, Wash.	6	21.0
Memphis, Tenn.	8	22.5	Springfield, Ill.	4	18.7
Milwaukee, Wis.	5	15.5	Washington, D. C. . .	3	16.8

A study of the foregoing figures indicates that Providence and Peoria have the lowest prices on gasoline, while Memphis, Butte, and Mobile have the highest prices. Transportation costs evidently have little to do with the price of gasoline; prices in some cities far away from the oil fields are less than in those cities which are located near production or which have transportation by water. For example, why is the price (without tax) less in Kansas City, Minneapolis, and Peoria than in Memphis, Mobile, and Savannah? The gasoline tax in the southern states is much higher than in the northern states. Should this not mean better highways in the South?

The average motorist consumes 635 gallons of gasoline a year. This means that the motorist in Providence pays \$85.72 less a year for his traveling than does the motorist in Mobile; or, figuring on a basis of 17 miles to a gallon, the autoist in Peoria can ride 8,500 more miles a year than the autoist in Memphis.

586. Everyone Pays Taxes. Many people have the mistaken idea that they do not pay taxes because they are poor. The truth may be that they are poor because of the taxes which they pay. The largest part of the cost of government services is paid for by the middle class of people. The paupers, who are dependent upon charity, pay nothing; and the rich men are so few, comparatively speaking, that if all their wealth were taken for taxes, it would pay but a very small part of the cost of government. It is extremely important therefore, that every person, young or old, should know what it is costing him for the services he gets. The question is not whether all the services are useful and necessary, but whether he can afford to pay for all the things he desires. A nation is no more able to live beyond its income than is an individual.

The average man with a small income thinks he gets off without helping to pay the cost of his government, but he is mistaken.

587. Where Taxes Are Hidden. For anyone who thinks he is escaping the tax collector, the following recent article in *The Commonwealth* may be unpleasant but illuminating reading:

Let us look at a few of the taxes which the so-called tax-exempt individual usually pays. A man who smokes a package of cigarettes a day pays taxes on them of about \$18 a year, yet he might grumble mightily if he had to pay that much in federal income tax. Cigarettes are only a beginning, however.

The millions of automobile owners have become used to ignoring their annual license fee because the word license is so much smoother than tax. Suppose that a filling-station operator should hand the customer a slip stating that with every ten-gallon purchase of gasoline he has paid a combined federal and state tax of thirty cents; at the end of the year the tax-exempt automobile owner would find that he had paid \$15 or more in gasoline taxes.

Next, the electric light and gas companies might furnish him a statement showing that in his year's total of bills he has paid \$5 or more in taxes. The telephone company could show a similar statement aggregating at least another \$5. By this time the "tax-exempt" citizen has contributed probably \$43 a year.

But the landlord has still to do his share. In the present condition of real estate, about one-fifth, at least, of every dollar paid in rent is tax money. The landlord might include with each month's rent an item of \$10.83 credited to taxes.

Our citizen would now make a quick total and discover that through five channels alone he is supporting the government to the extent of \$173 a year. That would probably be more than ten per cent of his income, probably more than five weeks' salary, nearly five months of rent, or enough to feed his entire family for fourteen weeks.

588. Taxes Follow Us to the Grave. Due to the fact that taxes follow the citizens even to the grave, the Taxpayers' Economy League has adopted the following as its league song:

"When you light the evening lamp,
You pay a tax.
When you buy a postage stamp,
You pay a tax.
When you buy the baby clothes,
When you read the daily news,
When you buy a pair of shoes,
You pay a tax.

"When you buy an ice cream cone,
You pay a tax.
For the water that you drink,
You pay a tax.
When you buy a loaf of bread,
When the doctor says you're dead,
When the final prayers are said,
You pay a tax."

589. Looking Into the Future. Taxes in the future promise to be much greater than they have been in the past; and if young people today do not want to be burdened heavily with taxes for the rest of their lives, it behooves everyone to appoint himself a committee of one to see to it that useless government services are dispensed with, and that the people in his community do not demand expensive things for which they cannot pay. It must be remembered that nothing is easier than spending other people's money. Today we are demanding of the various branches of our government many things which were unheard of a few years ago, and many people believe that the number of services will increase rather than decrease. The more services we demand, the more money we must be willing to part with in the form of taxes. The security of a community or a nation, like the security of an individual, depends upon keeping expenses from exceeding income.

Questions on the Text

Sec. 566. What kind of services do the people expect the government to furnish for them? Are these services free? What causes these services to grow in number?

Sec. 567. What is the first thing one should learn about the cost of government services? Where does the money to pay for government services come from? How are taxes hidden?

Sec. 568. Why should everyone be interested in taxes? What can young people do about unfair taxes and the waste of tax money?

Sec. 569. What are some of the services furnished by city governments? Explain how money may be wasted in providing fire and police protection. Explain why it saves more money than it costs to pave streets and keep them clean and well-lighted. Explain why it saves money for a city to employ a health officer.

Sec. 570. Name several services that should be performed by a county rather than by a city. Which county services may be said to save us money?

Sec. 571. Why is it necessary to elect state officials? What are some of the services that people want the state to furnish? Why can these services be furnished better by the state than by cities and counties?

Sec. 572. What are some of the services that can be performed better by our national government than by our state and local governments? Who issues the money that we use? What makes this money good?

Sec. 573. What is the biggest business in every country? About what per cent of the people in this country work for the government? How does the government get the money to pay these people? Why is there often waste and graft in government services? Why should everyone be interested in getting rid of waste and graft in government services?

Sec. 574. Explain and illustrate what is meant by direct and indirect taxation. Give examples illustrating when a tax can and cannot be passed on to the ultimate consumer. Explain why a renter really pays taxes on the property which he rents. What are "painless" taxes?

Sec. 575. For what two purposes are taxes used? Explain what is meant by taxes on imports, or duties. How do taxes on imports protect American manufacturers? What kind of taxes may be levied by states and cities? What kind may not?

Sec. 576. Explain how taxes may be used to destroy an industry. Give an example showing when it would be desirable to do this. Give an example showing how taxes might destroy a legitimate business.

Sec. 577. For what sort of services is it unfair to pay with tax money? When may taxes be said to be a real burden?

Sec. 578. What effect do unfair taxes have upon people? What people find it difficult to escape taxes? How do some people greatly reduce the amount of their taxes? What value should one put upon his property when reporting it for tax purposes?

Sec. 579. What six items cause taxes to be higher in one place than in another? When can people escape high taxes by moving?

Sec. 580. What things should be considered in choosing a place in which to live? How do high taxes decrease one's chances for pleasure?

Sec. 581. Explain why a community of poor people is often not the cheapest place in which to live?

Sec. 582-583. Explain and illustrate why government debts make taxes high.

Sec. 584. What was the average tax paid by motorists in 1934? About how much of this was gasoline tax?

Sec. 585. According to the table given in this section, which cities have the lowest price on gasoline? Which have the highest? Which states have the highest tax on gasoline? Which states have the lowest? The average motorist consumes about how much gasoline a year?

Sec. 586. What class of people pay most of the taxes? Who pay no taxes? Why is it not possible to make the rich pay all the taxes? What should determine whether the government should furnish a particular service?

Sec. 587-588. Explain fully how a person who owns no real estate, and therefore thinks he pays no taxes, may really pay as much as \$173 a year in support of the government.

Sec. 589. In the future are taxes likely to be greater or less than they are now? What can people do to keep taxes from becoming higher than necessary? Upon what does the security of a community or a nation depend?

For Class Discussion

Sec. 566. What services are needed in a city that are not needed in the country? What public services are found in a civilized country that are not found in an uncivilized country? Discuss this statement: the more highly civilized a country is, the more public services are demanded.

Sec. 567. Why can there not be free public services? Explain how each candy bar, ice-cream cone, pen, pencil, etc., carries a tax.

Sec. 568. What can young people do to help keep tax money from being wasted? What can older people do?

Sec. 569. Which city services do you consider absolutely necessary? Which ones do you consider convenient, but not absolutely necessary? Which ones do you consider unnecessary?

Sec. 570. Which public services, if any, do you think could be better performed by a county than by a city or state? Do you know of any county services that should be discontinued? Of any that should be added?

Sec. 571. Name all the public services which you think should be performed by the state. How should they be paid for?

Sec. 572. Name all the public services which you think should be performed by the United States. How should they be paid for?

Sec. 573. Why is government called the biggest business? Explain why every dollar that the government gives to the people must be taken from the people.

Sec. 574. Give several examples of each of the following: direct taxes; indirect taxes; taxes that can be passed on to the consumer; taxes that cannot be passed on to the consumer.

Sec. 575. Give examples of taxes levied for revenue only, and of taxes levied to protect some industry. Tell why you believe or do not believe in levying taxes to protect American industry.

Sec. 576. Give instances in which you think taxes should be levied to destroy.

Sec. 577. How much should one be willing to pay in taxes?

Sec. 578. Give some examples of taxes which you consider unfair. Is one justified in attempting to escape taxes?

Sec. 579. Explain how each of the six items mentioned in this section affects the amount of taxes that people must pay.

Sec. 580. What items do you think should be considered in choosing a place in which to live?

Sec. 581. Tell why you think it is or is not an advantage to poor people to live in the same community with wealthy people.

Sec. 582-583. When, if ever, are bond issues proper and advisable?

Sec. 584. What automobile taxes do you think are right and proper?

Sec. 585. Why do you think the price of gasoline varies in different cities, especially among cities in the same state?

Sec. 586-587. Which taxes do you think the fairest? Why? Which taxes are the easiest to collect? Which taxes should be abolished or lowered? Why?

Sec. 589. What suggestions have you for tax reform?

Thought Questions and Problems

Sec. 567. Name all the items of taxes that are included in a candy bar; a passenger bus as it travels along the highway.

Sec. 569. If you live in a city, name all the public services that it furnishes its residents. What are the different ways in which it raises the money to pay for these services?

Sec. 570. Name all the public services that are performed by the county in which you live. How does the county raise the money by which to pay for these services?

Sec. 571. Name the public services performed by the state in which you live. How does the state raise the money by which to pay for these services?

Sec. 572. Name the services performed by our national government. How does the national government raise the money by which to pay for these services?

Sec. 577. Give two or three instances in which only those who actually use a public service pay for it. Give an example of a public service that is supposed to be self-supporting instead of being paid for out of general tax funds.

Sec. 578-589. 1. A man has property worth \$6000, and this property is assessed at two-thirds of its value. If the tax rate is \$2.60 per \$100 of the assessed valuation, what will be the amount of his taxes?

2. If a town has a tax rate of 25.5 mills on the dollar, what would be the amount of the tax on property assessed at \$5000?

3. A city has an assessed valuation of \$36,000,000 and needs to raise \$900,000 for the year's expenses. What must be the tax rate per \$100?

4. A man owned \$25,000 worth of bonds and was required to pay a tax on them at the rate of 3 mills on the dollar. What was the amount of the tax? If the bonds bore interest at the rate of $3\frac{1}{2}$ per cent, what was his net return after paying the tax?

5. During a recent year the government collected a tax on 8,456,332,000 cigars at the rate of \$4 per thousand. How much was collected?

6. At \$3.50 per 1000, find the amount of the tax on 96,436,308,000 cigarettes.

7. What would be the amount of the tax on 425,556,225 pounds of tobacco at the rate of 18 cents a pound?

8. The income tax law of a certain state provides for a tax of one per cent on income earned within the state, but allows an exemption of \$1000 for a single person, \$1500 for the head of a family, and \$200 for each dependent child under 18 years of age. What would be the state income tax of a head of a family if his total income is \$4500, and he has two dependent children under eighteen years of age?

9. If there is a duty of 70 per cent on decorated china, what is the duty on a decorated breakfast set that was purchased in France at a cost of \$21 in our money?

10. Find the duty on one ton of Brazil nuts at $1\frac{1}{2}$ cents per pound.

11. A certain school district is in need of buildings that will cost \$500,000. Some people think that it would be unfair to tax the people enough in a single year to pay for the buildings. What do you think about the question?

12. Do you think government bonds should be tax-free?

13. Some people think that the income tax is the fairest kind of tax, because it requires everyone to pay according to his ability. What do you think about it?

14. Some people think the sales tax is the fairest kind of tax. What do you think about this kind of tax?

Word Study for Chapter XVIII

SECTION

590. **Monotony**—dullness; tiresomeness; sameness; lack of variety.
Inspire—to fill with ideas; encourage; enliven; infuse into.
592. **Barren**—not good for growing useful plants; not fertile.
594. **Recuperate**—to recover health or strength.
Functions—gatherings; public or official ceremonies; parties.
597. **Numerous**—a great many; having to do with a large number.
Inaccessible—difficult or impossible to reach or attain.
603. **Designated**—pointed out; shown; indicated.
Identify—to prove to be the same as described.
Respective—having to do with each of several persons or things.
605. **Transcontinental**—reaching across a continent.
607. **Statistics**—a group of facts and figures.
612. **Dormer window**—a window built out from a sloping roof.
614. **Erroneous**—incorrect; mistaken; false.
619. **Proposed**—planned; intended; suggested.
622. **Wearing apparel**—one's clothing.
628. **Disposal**—power to control; order; arrangement.
629. **Innovation**—the beginning of something new; a new style, custom, or the like.
630. **Intermediate**—coming between; lying in the middle.
631. **Cruising speed**—usual speed while traveling on a long trip, rather than top speed or racing speed.
633. **Luxurious**—costly and pleasing to the senses; pertaining to extravagant ease and plenty.
Accustom—to get used to; to train; to make familiar by use.
634. **Scrupulously**—carefully; exactly; strictly.
636. **Conducted tour**—a trip planned and managed by some one person or company.
Procuring—getting; obtaining.
Alluring—tempting; charming; attractive.
Nonchalantly—coolly; carelessly; with easy unconcern.
637. **Disembarkation**—the act of going ashore from any boat or vessel.
640. **Consulate**—the foreign office and residence of an official.

Pretest for Chapter XVIII

1. Name the three great values of travel.
2. What persons do a great deal of traveling, but see little of the world or realize much pleasure from their travel?
3. Name all the modes of travel in America today. Which mode do you consider most desirable?
4. In what form should money be carried by a traveler in order for him to avoid loss?
5. If you rent a room in a hotel for one night, how long may you use the room?
6. Can one person, traveling alone, save money by driving his own automobile instead of riding on a train?
7. About how many miles is it across America between the Atlantic and the Pacific oceans?
8. How much do you estimate it might cost a person to drive an automobile from New York to Los Angeles?
9. What do you consider the safest form of travel—automobile, train, bus, airplane, or boat?
10. Name the different classes of accommodations offered in railway travel.
11. What should you do in case you should buy a railroad ticket and for some reason are unable to use it?
12. Name six different types of information that can be found in a railway timetable.
13. What are some of the advantages and disadvantages of bus travel?
14. If you were making a trip by train or by bus and wanted to take your dog along, how could it be done?
15. What class of people save money by traveling by air?
16. How may a student at very little expense take a summer vacation trip on a steamship?
17. What is necessary for every traveler to secure before making a trip out of the United States?
18. How do you think the transportation of the future will differ from that of the past?

CHAPTER XVIII

TRAVEL SERVICES—Unit 1

590. **Values of Travel.** The three great values of travel are educational, recreational, and inspirational. Travel educates a person by broadening his outlook on life and his relations with people in a way that cannot be learned from books. Travel re-creates energy by relieving the monotony of everyday life, which every person who remains in one place for any great length of time is sure to experience. Travel inspires a person to make greater effort to improve himself and his surroundings. Through travel people are able to compare their mode of living with that of people dwelling in distant places who may be better or worse off than they are. Through travel one is brought into contact with many people whom he would not otherwise meet, and this enlarges his list of friends and acquaintances. Travel provides a change of climate and scenery, which is often more necessary for certain ailments than medicine. Although travel may be considered the richest of all pleasures, it may also be considered a good investment.

591. **Getting the Most Out of Travel.** In order to get the greatest values out of travel, it is necessary for a person to make plans well in advance of his trip and to save money with which to carry out those plans. Rambling around the country, hitch-hiking, going nowhere in particular, or begging one's way as one goes, should not be considered traveling. Many persons travel a great deal but do not get all the benefits from it; for example, the professional traveling man covers a very limited territory for his firm, and he covers this same territory many times, all of which soon becomes boring. A railroad trainman, a bus driver, or an employee of a ship rides back and forth over the same path many times, which is monoto-

nous. Sailors in the navy may do a great deal of traveling at Uncle Sam's expense, but they are not free to go when and where they wish. To get the greatest value out of travel, one should be able to choose the places he wishes to visit and go when he is in the proper mood for travel.

592. See America First. Like everything else, traveling done in a systematic manner produces the best results. By starting with trips to near-by places and radiating outward, like ripples on a pond when a stone is thrown in, travel can be made a lifelong experience with a profit. Until a person has considerable experience in traveling, a long, expensive trip is not advisable. Short, inexpensive trips provide the experience necessary to learn the art of travel. It is a good plan for one to see all parts of his own native state before visiting other states, and it is also a good plan for one to know what is worth seeing in the United States before going to foreign countries. The United States has enough variety to keep a traveler busy many years before he has seen everything. Many persons make a fast trip across the continent, half of which is made during the night, and they think that they have seen the United States. Other persons make a trip to New York, Chicago, or Los Angeles, spend a day or two, and then go home feeling that they have seen these cities. It is claimed that there are many persons on the Atlantic coast who still consider Buffalo, New York, the frontier of civilization, and all the country west thereof a barren wilderness. It is surprising how many persons on the Pacific slope within one hundred miles of the ocean have never seen that great body of water.

593. Travel Today is Ideal. Never before in the history of the world has the traveler had such facilities for going anywhere he desires as he has today. Not many years ago the pleasure of travel was enjoyed only by the rich. Present-day travelers have a choice of moving on the land, on the water, or through the air at very little cost. The high-speed automobiles, trains, ships, and planes have cut down tremendously the expense of traveling. Paved highways, air-conditioned

trains, and luxurious equipment of land, water, and air conveyances take all the former hardships out of travel. Very few people in this country today are so poor that they cannot make trips which fifty years ago could be enjoyed only by people of great wealth.

594. Best Mode of Travel. Of the four modes of traveling today—automobile, railroad, boat, and airplane—no one kind is best. Each method has its advantages and disadvantages. The automobilist has the worry of fighting traffic, and little or no protection against accidents. He can travel only part of the twenty-four hours each day. On the other hand he is free to start and stop when he pleases, and to go places not reached by any other common type of transportation. The railroad traveler may have all the comforts of home, is free to stroll through the cars for exercise, and can be landed in the heart of a large city without tedious stops en route; but he must be ready to go at the railroad's convenience, and upon alighting from a train in a large city, he must secure other means of reaching his hotel or home. The boat traveler is limited to routes only on the water, and he must be willing to move slowly; however, he secures an opportunity to rest, recuperate, and enjoy social functions while traveling. The air traveler gets the utmost in speed, which in some cases saves money. On the other hand, he has a monotonous ride far above the scenery of the earth; he is also limited in the amount of baggage that he may take with him. Thus each mode of travel has its distinctive services and drawbacks.

The experienced traveler makes use of all four modes of transportation, when and where each may be used to advantage. For example, he does not use the boat when he is in a hurry or an airplane when he is on a leisurely pleasure trip.

595. How to Carry Money When Traveling. No one today who is experienced in traveling carries a large sum of currency. Besides the danger of losing it, there is the danger of theft and the risk of personal injury by bandits. Travelers' Checks enable a person to carry any amount of money with

safety. They may be secured at any bank or express, railway, or steamship office. Travelers' Checks are a form of "personal money"; they are spendable as cash, but only by the rightful owner. These checks do not require that a person be identified, and the method of using them is simple. When you buy them you write your name on each check, thus mak-



These travelers' checks require only the signature of the owner when cashing. These checks are readily accepted in all parts of the world.

ing it your own. When you wish to spend one, you write your name a second time on the check in the presence of the person accepting it.

Travelers' Checks are issued usually in denominations of \$10, \$20, \$50, and \$100, bound in leather wallets of convenient size. The expense for these checks is 75 cents a \$100. Travelers' Checks are the only representative form of money accepted without question by banks, hotels, ticket offices, and shops in all civilized countries.

Express money orders are carried by many commercial travelers who are known in the towns they visit. Express

money orders which cost about a third as much as Travelers' Checks may be bought at any express office.

596. Hotel Services. No other country in the world has such excellent hotels as those found in nearly every town of any size in the United States.

Stopping at hotels, even at the finest ones, does not require any special knowledge or training, as some people imagine. There are no rules or regulations as to proper conduct that are different from those we observe when going into any other place of business. With the exception of the swanky hotels, patronized only by the elite, any person is welcome as a guest in a hotel, regardless of his garb.

The usual price for a room without bath in a first-class hotel is \$1.50, while the rate for rooms with bath ranges from \$2 to \$3. An excellent room with a shower bath may be secured in most hotels for \$2.50 a day.

When one wishes to get a room at a hotel, all that is necessary for him to do is to inquire at the clerk's desk in the lobby for rates on such a room as he desires. If the price is satisfactory, the guest then signs his name and home address on



When ready to "check out," the traveler removes his baggage from his room, turns his room key over to the cashier, and pays his bill with either currency or a Traveler's Check.

the hotel register. A bell-boy then takes the guest and his baggage to the room assigned. It is quite customary for guests to give a tip of ten or fifteen cents to the bellboy, but this is entirely optional with the guest.

Hotel rates are quoted by the night, but the guest has the privilege of using his room all of the following day without extra charge. Giving up one's room and paying one's bill is referred to as "checking out." The limit time for checking out in most hotels is six o'clock P.M. After that time, an additional charge is made for the room. When checking out, the guest removes his bag-

gage from the room (he may, if he wishes, check it in the parcel room until he is ready to take it away from the hotel), pays his bill, and leaves his key at the office.

Guests desiring information about train schedules, automobile roads, or points of interest in the city should inquire at the porter's desk, because the room clerks and bellboys, as a rule, possess very little knowledge of such matters.

In the better class hotels, the guest may use the restaurant, garage, and any other services connected with the hotel and have all such charges placed on the bill for his room.

AUTOMOBILE TRAVEL—Unit 2

597. Travel by Automobile. The most convenient and least expensive method of travel for two, three, or four persons together, is by private automobile. For one person alone, a private automobile is convenient, but it is an expensive method of travel. On a very long trip it is much cheaper for an individual to use bus or train services. The advantages of traveling by private automobile are numerous. There is no schedule to be followed—a person can start in the morning when he pleases, can stop along the route to see anything that he wishes to see, and can stop in the evening at any time and place that appeals to him. The automobile traveler is not compelled to pay unusually high prices for hotel accommodations, as is sometimes the case with those who have no independent means of moving on. Many of the most interesting places to see in this country are not on the rail or bus lines. The automobilist can take side roads off the beaten path, park his car, rent a saddle horse or a pack outfit, and go back into the wilderness; then, if he enjoys walking, he may go afoot to almost inaccessible places.

598. Crossing the Continent by Automobile. For pleasure and recreation no other way of travel equals the automobile for seeing America. Of course such a trip costs money. There

now are several highways, paved practically all the way across the continent. The ideal trip is found by going by one route and coming back by another. A complete round trip from ocean to ocean requires about eighteen days. It can be made in much less time, but not when people are sight-seeing. A period of sixty days is about the least time necessary for seeing all the places worth while along the route. The pleasure seeker who rushes across the continent trying to see how many miles he can drive each day is just wasting his money and having very little pleasure. Three hundred miles a day is a long ride for a pleasure seeker; after that number of miles a trip becomes hard work instead of a pleasure.

599. Planning the Trip. Before starting on any trip, a person should make complete plans so that he will know how long the trip will require, the kind of climate and weather he may experience, the kind of clothing he will need, the list of places he should see, and the persons he wants to look up on the trip. Of course, the amount of money required for the trip must not be overlooked. The next step is to secure maps and road information from reliable sources. The automobile clubs located in most large cities or the service station operators will provide maps and advice of a very helpful nature, or one may purchase maps from bookstores. Before starting, it is a good plan to budget one's money so that he will know exactly how much he can spend each day in order to get back home without running out of funds. Nothing spoils a trip more quickly than to find oneself in a strange town without money or credit.

600. What Will It Cost? After the excitement of planning a trip, the next question is "Now, what is all this going to cost me?" That depends, of course, on the kind of accommodations you choose. If you insist on stopping at the best hotels, eating high-priced meals, playing slot machines, and taking in all the rackets along the route, it is going to cost you plenty of money. On the other hand, if you are willing to stay overnight at tourist camps, which are good enough for

most folks, and if you are satisfied to buy necessary food without frills, and to forego ten-cent store trinkets from the Indians at three dollars each, it is surprising how little money you will need for a trip across the continent. The following is an estimate of costs for one person driving in an automobile from ocean to ocean. If three persons are in the car, each person would pay but one-third of the cost of gasoline, oil, and repairs for the car, thus greatly cutting down the expense of the trip.

601. Estimated Cost of Trip Across Continent. The distance from ocean to ocean is approximately 3,300 miles. Figuring the mileage for the average small car at 15 miles a gallon, this distance will require about 220 gallons of gasoline. Figuring the cost of gasoline at an average of 18 cents a gallon (at some places in the mountains and desert the price of gas will run as high as 22 or 24 cents a gallon), the total cost for gasoline will be about \$39.60. Figuring a quart of oil for every 300 miles, the trip will require eleven quarts, and allowing an average cost of 30 cents a quart, the oil for 3,300 miles will cost \$3.30. Fast driving over hot desert roads consumes twice as much oil as ordinary driving elsewhere. Tire and car repairs must be allowed for, even with a new car. The motorist may be fortunate in his car's not needing any repairs, but it would not be safe to disregard this item in his budget for the trip. Repairs may be figured at \$5 for a comparatively new car—much more for an old one. If we are going to hold our day's drive down to 300 miles in order to make it a joy instead of work, as suggested, we shall be eleven days and nights on the route going, and the same in returning. Overnight rooms at tourist camps average \$1, which will make a total of \$11 for rooms. Three meals a day may be figured at \$1.35 (35 cents for breakfast, 50 cents for lunch, and 50 cents for dinner) for each of the eleven days, making a total of \$14.85.

Our budget allowance now looks as follows:

Gasoline for 3,300 miles.....	\$39.60
Oil for 3,300 miles.....	3.30
Tire and car repairs.....	5.00 (or more)
Tourist camp rooms, 11 nights at \$1 each.....	11.00
Meals for 11 days at \$1.35 a day.....	14.85
Total.....	\$73.75

The return trip may be figured at the same cost, which gives a total of approximately \$150 to \$175 for a complete round trip across the continent.

602. Prices Along the Route. A good way to spoil an otherwise successful trip is to complain about prices charged for food, lodging, and entertainment. We should not expect those who serve our needs in wild and desolate places to suffer the hardships of isolation and to charge us no more for serving us than we pay in the city where such difficulties do not exist. A drink of ice water on the desert or the services of a mechanic in an out-of-the-way place are usually worth whatever they may cost. As a general rule, however, food and hotel rooms on the desert are cheaper than in the cities. Tourist camps usually have a restaurant, garage service, and individual cabins. These cabins rent from a dollar up, and some cabins accommodate four or more people without additional cost. The usual furnishings supplied in tourist cabins are beds with one sheet, chairs, mirror, table, cookstove, water, and free use of shower baths. When stopping overnight at hotels in some cities, especially in California, it is necessary to park the automobile in a garage, the usual price being fifty cents a night. Leaving a car on the street or in front of a hotel overnight may bring a five-dollar fine.

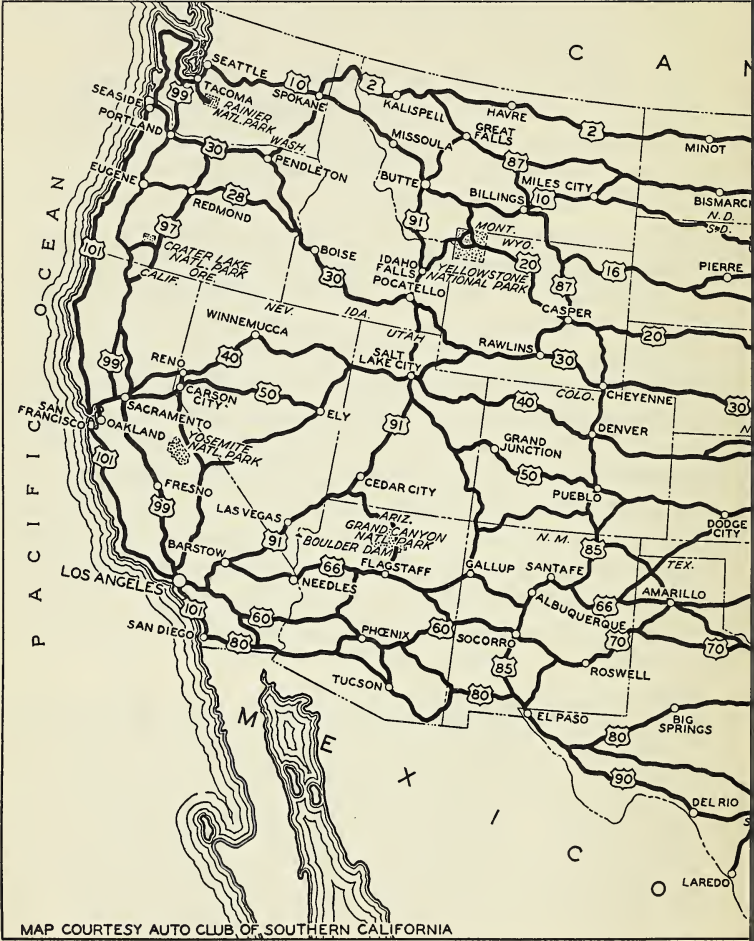
People expecting to carry foodstuffs in their car in order to save on meal expense must remember that fresh fruits and vegetables are usually taken from travelers by state inspectors when cars cross the line from one state to another. Automobiles are examined to make sure that they contain no fresh

fruits, cotton, souvenirs, or any other articles which may contain objectionable parasites.

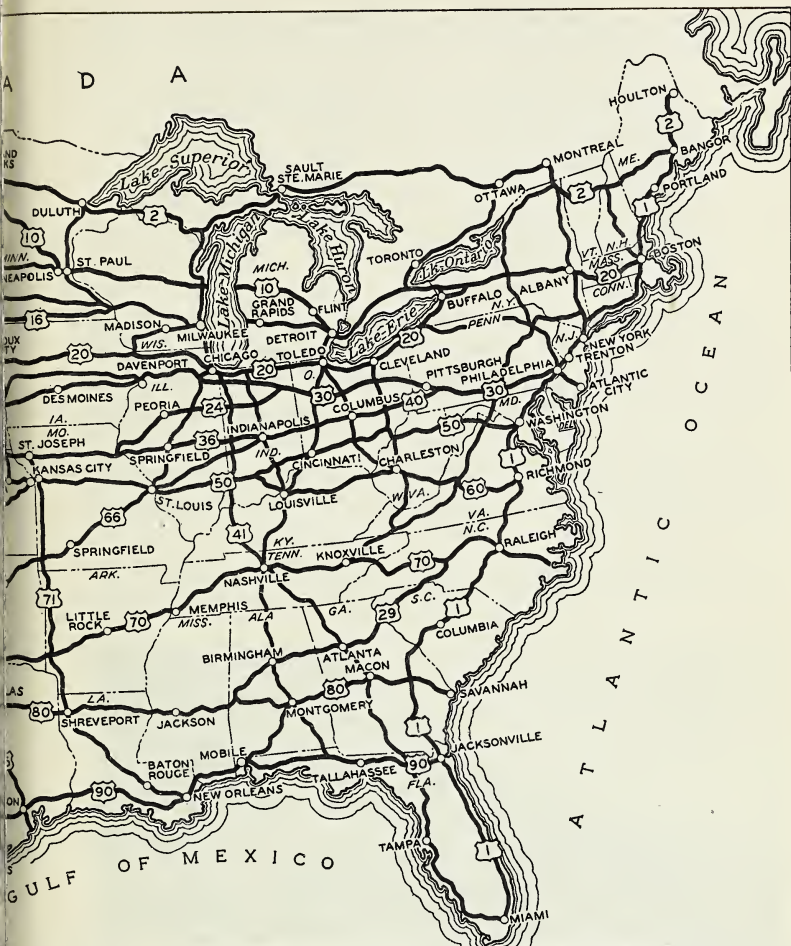
603. Routes Across the Continent. Main highways are designated by the letters U. S., meaning United States, and they are numbered for the convenience of the traveler. Before starting on a trip, the automobilist should determine from the map which highways are the most direct, and identify each with its respective number. He can then follow the signposts with these numbers to his destination without having to stop to inquire his way. Only two highways keep the same number the entire distance between the Atlantic and Pacific Oceans; their numbers are 30 and 80, respectively. There is only one highway running through from Canada to Mexico, Number 81.

A round-trip circle tour of the United States may be made by taking Number 30 from Philadelphia, Pennsylvania, to Portland, Oregon; then highway Number 99 from Portland to San Diego, California; thence over Number 80 to Savannah, Georgia, and north over Number 1 from Savannah to Philadelphia. Highway Number 81 runs through from Winnipeg, Canada, to Laredo, Texas, on the Mexican border, and highway Number 41 runs through from Chicago, Illinois, to Florida.

604. Cost of Operating an Automobile. The average person has but a slight idea of what it actually costs him to drive his car. When he goes for a Sunday drive, he thinks only of a few gallons of gasoline, while in reality his trip actually may cost several dollars. According to the figures compiled by the Automobile Club of Southern California, the cost of driving an automobile averages $1\frac{3}{4}$ cents a mile. This includes only costs of gas, oil, tires, and maintenance. Gas and oil cost .0134; tires cost .0016; and maintenance costs .0025. To arrive at an exact cost, however, it is necessary to figure items over a period of one year. These costs will include gas, oil, tires, tubes, repairs, depreciation, license, garage, interest on investment, and insurance. According to a survey by the Iowa State



Highway map of the United States showing main routes between the Atlantic and Pacific Oceans and between Canada and the Gulf of Mexico. Notice that Number 80, be



Drawn expressly for "The Business of Life."

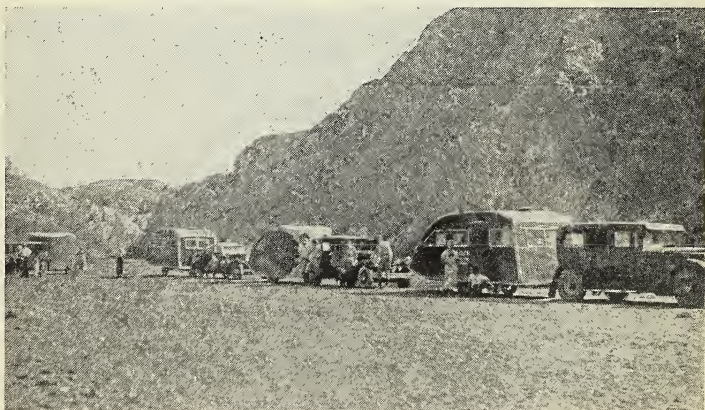
avannah, Ga., and San Diego, Calif., and Number 30, between Philadelphia, Pa., and Portland, Ore., are the only two routes across the continent having no change in number.

College, the average person drives 11,000 miles a year with all costs totaling as follows:

Light four-cylinder car.....	5.19	cents a mile
Medium four-cylinder car.....	5.33	" " "
Heavy four-cylinder car.....	7.01	" " "
Light six-cylinder car.....	5.91	" " "
Medium six-cylinder car.....	7.33	" " "
Heavy six-cylinder car.....	8.49	" " "
Light eight-cylinder car.....	7.34	" " "
Medium eight-cylinder car.....	10.55	" " "
Heavy eight-cylinder car.....	14.48	" " "

Depreciation, or wear, tear, and getting old, amounts, for small cars, to one-fifth of the cost of the car during the first year; for medium cars one-third of the cost; and for high-priced cars one-half of the cost. The more miles a car is driven in a year, the less the depreciation will be a mile. The cost of letting a high-priced car stand out in the weather all day while the driver is at his occupation or at school amounts to about as much as many persons earn in a day.

605. **Living on Wheels.** Roger Babson, noted statistician, recently made the following prediction: "Within twenty years



"Within twenty years forty per cent of America's population will be living on wheels," predicts Roger Babson, the noted statistician.

forty per cent of America's population will be living on wheels." House-trailers, as we know them today, are one of the results of the recent depression. Honest laborers, farmers, and hard-working business men who lost their homes and their lifelong savings, took to trailers and the open road as a means of reducing their living expenses and forgetting their troubles.

The trailers themselves provide "all the comforts of home," as many people say after peering inside the door and exclaiming, "Oh, there's a sink—and everything!" As a matter of fact, the usual equipment includes from two to six beds, with an average of four; a clothes closet; a chest of drawers; a dining table; a stove; a sink, with additional work space; a refrigerator; and a number of lockers, drawers, and compartments. An increasing number of trailers boast shower baths, tub baths, and toilets.

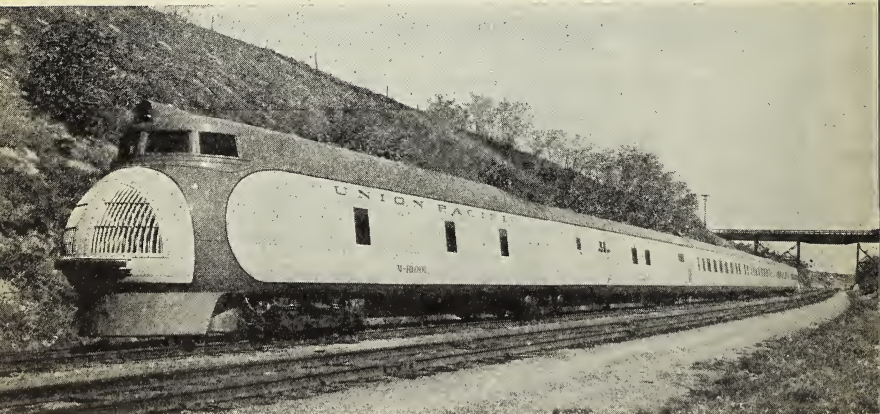
For the man with a job, a trailer offers an easy means of getting away from the daily grind. He can take his family to the beach for the weekend and enjoy all the comforts of the seaside cottage, with none of the expense of keeping up such a place. The next week, he can hie himself to the mountains and have as much fun as his neighbor does at his mountain cabin, with the added advantage that he can move his cabin to a new site whenever he wants to. Moreover, he can use his trailer to take transcontinental trips without having to pay hotel bills. For the family with children, the use of a trailer is ideal in traveling. Practically the only expense is the gasoline, and the amount of gasoline used does not cost a great deal more with a trailer than without one. The trailer is no bother to tow, and the driver soon forgets that he has it behind his car.

606. Trailers Much Used in England. Few people realize that England is far ahead of America in the use of trailers. According to Wallace M. Byam, of the Airstream Trailer Company, the first automobile trailer was on the road in England in 1912. It is roughly estimated that England has about twelve times as many house trailers as America. Many

American trailers have been patterned considerably after their English forefathers. America is making progress in this line, and in another few years she will probably lead in the number of trailers used as well as in the design and construction of them.

RAILWAY TRAVEL—Unit 3

607. **Traveling by Rail.** Considering comfort, safety, and reliability, the American railroads offer the public certain services which cannot be equaled by any other method of transportation. The United States has the largest and finest railroad system in the world. All places of importance between the Atlantic Ocean and the Pacific, and between Canada and Mexico may be reached every day of the year regardless of weather. No other form of transportation is safer than the railroads which have thousands of employees constantly guarding the passenger against nearly every conceivable accident. Insurance statistics show that a passenger on a railroad



Courtesy Union Pacific Railroad

This new streamline train reduces the time many hours between Chicago and the Pacific Coast.

train is safer than in his own home. It is on long trips that the railroad offers supreme service; in recent years the railroads have discontinued service on many of their short branch lines, because such routes can be served better by auto bus.

On a trip across the continent the rail traveler may sleep in a comfortable bed or may have a private room with every convenience if he so desires. He may have his meals brought to him, or he may go into a dining car that serves meals as fine as those in the best hotels. He has a dozen cars to stroll through during the day for exercise. In the club car he may while away the time in games with traveling companions; in the observation or lounge car he may enjoy the radio, dance, or read. He may take along as many packages, suitcases, or other pieces of hand luggage as he wishes, and in addition a heavy trunk which will be carried for him in the baggage car.

608. Air-Conditioned Trains. Very recently the railroads have provided air-conditioned cars, which means that the passenger breathes pure fresh air constantly and enjoys normal temperature regardless of climate or weather. No



Courtesy Union Pacific Railroad.

In the observation or lounge car, passengers may enjoy the radio, read, or dance.

longer is a trip across the desert in summer one to be dreaded; no longer must a passenger sit day after day in stuffy coaches where the air is foul and the windows almost impossible to raise.

609. Rail Travel Reliable. With their own private right-of-way protected by automatic block signals, tunnels, snowsheds, and other facilities, the railroad train may be relied upon to travel right on time every day of the year regardless of fog, sleet, snow, and other hazards which may stop all other kinds of transportation. The new streamline trains recently installed on several railroads attain a speed at times of more than 100 miles an hour. This provides a thrill long to be remembered; however, a surprisingly large number of young people are graduated from high school without ever having had the thrill



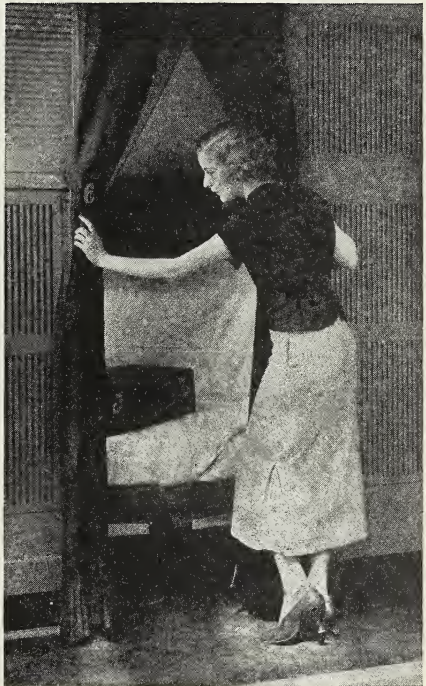
Chair cars today are almost as attractive as the Pullman cars were a few years ago.

of riding on one of these marvelous trains; in fact, any person's education is today greatly enriched by a trip on one of America's fine railroad trains.

610. Chair Cars. The cheapest form of rail travel is in the chair cars or coaches. The new modern steel chair cars are long, easy riding, well lighted, and well ventilated. The individual chairs are adjustable so that the back rests can be fixed at the desired angle for sleep and relaxation. The windows are large, the aisles wide; there is plenty of room to move about. The latest type of reclining-chair cars used in transcontinental travel have for the women a large dressing-lounge room with easy chairs and a dressing table. For the men there is a large washroom with porcelain washbasins and large mirrors. Of course, on a long overnight ride a chair is not so comfortable as a bed, but many persons who do not have much money to spend are willing to sacrifice

a little comfort in order to travel. For ten, fifteen, or twenty-five cents, a passenger in a chair car may usually rent an extra pillow from the porter, and this adds greatly to one's sleeping comfort. It should be remembered that coach tickets whereon special excursion rates are offered are not good in Tourist or Pullman cars; however, a coach passenger may secure a berth for the night by paying the difference in fares for the time that the berth is occupied.

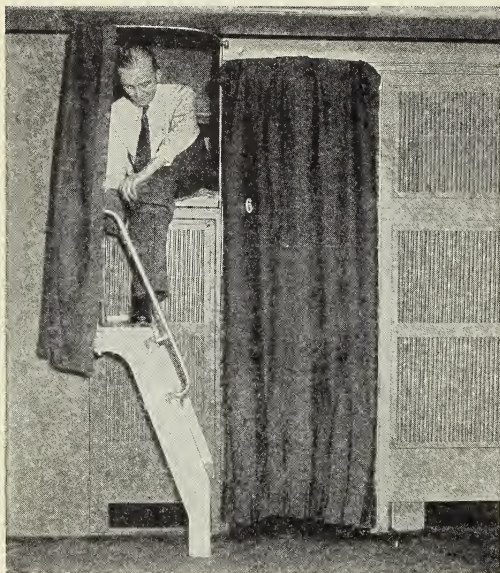
611. Sleeping Cars. The value of a night's sleep is hard to estimate until the morning after a sleepless night. It may be false economy for a business man to try to save money by sitting up in a chair all night while traveling and then resting the next day when he might be out attending to business. Traveling long distances is more or less of a hardship under the most favorable conditions, and unless the traveler gets his sleep, he is going to derive very little enjoyment out of any long journey. The little extra money that it costs to ride in a sleeping car is a good investment. The railroads offer the passenger facilities for traveling thousands of miles without stopping en route, and the use of these facilities enables him to arrive at his



It is worth the little extra money it costs to sleep in a berth on a train.

destination rested and fresh. The cost of a berth on a sleeping car may be no more than that of stopping overnight at a hotel.

612. Standard Pullman Cars. Standard Pullman cars are sleeping cars representing what is termed first-class travel, and they are available only to passengers who buy first-class railroad tickets. These cars have upper and lower berths,



Courtesy The Pullman Co.

In the newer type Pullman car there is very little trouble in getting in or out of an upper berth.

either of which can accommodate two passengers. The upper berths are not quite so convenient for getting into and out of, but otherwise they are just as good as the lower berths; in fact, many long-experienced travelers prefer the upper to the lower berth. During the day-time the passenger owning a lower berth is entitled to the

seat facing the direction in which the train is moving, while the passenger owning the upper berth is entitled only to the opposite seat and rides backwards. Pullman-car passengers are entitled to all the facilities of the train, such as the club car, the lounge or observation car, and the services of the porter, valet, or matron. The latest Pullmans have the single-room idea. Each room, upstairs and down, has a lounge, the back seat of which can be turned down to form a spring-

mattressed bed at night. Each room has its individual toilet facilities and also its own window and self-regulating heating and lighting. Because of the day and night features, a passenger can retire when he pleases, and, if an early riser, may have his bedroom transformed into a daylight compartment, upon arising. Among the latest improvements are a platform on which the passenger may stand while dressing, a fixed stairway that enables him to ascend to and descend from the upper berth without the porter's assistance, and a dormer window which enables him to look out from the upper berth. In addition to the regular berths, Pullman cars have compartments and drawing rooms



Courtesy The Pullman Co.

A berth accommodates two persons and the cost is no more than for one person.

which offer all the privacy of a home. The cost of the standard Pullman upper berth is twenty per cent less than that of the lower berth, the minimum rate being \$1.60.

613. Tourist Cars. Tourist cars are similar in design to the standard Pullman, but they are not so luxuriously furnished. The sleeping facilities are equal to those that the average person has in his home. The berths are the same size as those on the standard Pullman; the bed linen is fresh and clean, and

the blankets are plentiful. Adequate dressing-room accommodations are provided for men and women. Porter service is furnished the same as on the standard Pullmans. Many people who have always traveled in standard Pullman sleepers are now traveling in tourist cars, and they are surprised and pleased with the service. Wherever tourist fares are in effect, one can travel in a coach or reclining chair car during the daytime and buy a berth in the tourist car for the night, a lower berth costing approximately \$1.50, and the upper berth approximately \$1.20. Two persons can occupy one berth at no extra cost. Tourist car passengers have access to the dining car but not to the club car, lounge car, or observation car. The cost of an upper tourist berth is twenty per cent less than that of the lower berth, the minimum rate being \$1.20.

For persons of moderate means, the tourist sleeper is almost as good as the standard Pullman; in fact, the tourist sleepers today are the same Pullman cars used only a few years ago, before the latest improvements of today were included on them.



Courtesy Union Pacific Railroad.

Breakfast is served on a dining car for as low as 40 cents, while a good luncheon or dinner may be obtained for 50 or 75 cents. The food is the finest that markets can provide.

614. Dining Car Service. Many people are under the erroneous impression that it costs too much money to eat in a dining car. The truth of the matter is that nowhere else, perhaps, can a person get as much excellent food and service as on the dining cars of our best railroads. Dining cars are carried on trains for the convenience of passengers, and instead of being a profit to the railroads, the dining cars actually are a loss. One road loses an average of 52 cents for each meal served. A dining car must be hauled $4\frac{1}{2}$ miles for every meal served, and the cost of hauling it is 12 cents a mile. Breakfast is served on a diner for as low as 40 cents, while luncheon and dinner may be had for 50 cents. Since nothing but the finest food is served on a diner, these costs are less than those asked in an ordinary restaurant for similar food.

615. Off Tray Service. For coach and tourist passengers who feel that they cannot afford the dining-car meals, railroads now provide an "Off Tray" service in which the porter passes through the car with trays containing foods from which passengers may make a selection. The prices charged are as inexpensive as those in the average city lunchroom.

616. Economy in Rail Travel. Bargains may be had at certain times of the year in railroad fares just the same as in merchandise. All railroads make the usual Christmas-holiday rates, beginning December 12 and expiring January 31. At other times of the year most of the bargain trips are offered by the western railroads, very few being offered by the eastern roads. Considerable saving usually can be made in buying round-trip tickets. All-year round-trip tickets are limited to 12 months, and the return trip must be completed to the original starting point by midnight of the date of expiration of the ticket. Summer tourist rates are available from May 15 to October 15. Special rates are offered on round-trip tickets for short periods of time, such as 10 days, 21 days, 45 days, or three months.

617. Comparison of Fares. The following comparison between the three methods of rail travel shows the difference in cost on a trip between San Francisco or Los Angeles, California, and Chicago at the time this book is being written.

First Class, fare one way.....	\$66.53	Round trip	\$111.00
Standard Pullman lower berth, fare one way.....	15.75		
Tourist Class, fare one way.....	44.36	Round trip	79.95
Tourist Sleeper lower berth, fare one way.....	8.50		
Coach fare, one way.....	34.50	Round trip	62.20

618. Take the Automobile Along. Most railroads now have a plan by which a passenger may ship his automobile to his destination and avoid the long tedious drives over mountains and desert. When the passenger steps off the train at the end of his journey, his automobile is there awaiting him. This new automobile shipping plan was designed for long distance travel, but it may be used for short trips also. A minimum charge of \$54 is required for local shipment of one's car. On long trips three tickets are required, two first-class tickets for one or two passengers, and one first-class ticket for the car at 3.6 cents a mile. Your car is shipped "as is"—you do not have to bother about crating or packing of any kind—and at your destination the car is unloaded ready for driving.

619. What to Know About Railroad Tickets. Passengers should buy tickets before boarding trains; however, cash fare may be paid to the conductor if there is not sufficient time for purchasing a ticket at the station before the train leaves. An extra charge is made when paying cash fares to conductors. When one is planning a long trip, railroads are glad to send a representative to the passenger's home to help outline the proposed trip, deliver the tickets at the proper time, and arrange for checking baggage from one's home to his destination. All one-way tickets are limited to thirty days in addition to date of sale. Coach tickets usually are limited to only a few days. Stopovers will be allowed at all points upon application

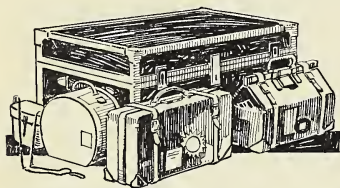
to the conductor. Persons twelve years of age or older must pay full fare; children under twelve years of age must pay half fare; and children under five years of age, when accompanied by an adult, are carried free. Conductors on trains are governed by rules that they cannot change. In case of dispute, pay the fare required and take a receipt from the conductor; then write the general office of the railroad company for an adjustment.

620. Redemption of Tickets. If for any reason a railroad ticket is not used after purchasing, it should be deposited with any ticket agent of the railroad from which it was bought, who will arrange for a refund of the purchase price. If the return portion of a round-trip ticket is unused, it may be sent to the company's general office which will refund the value of the unused portion. Of course, the unused portion will not have half the value of the entire ticket because round-trip tickets are usually sold at less than two one-way tickets. In no case should a railroad ticket be bought from or sold to anyone except the railroad's agents.

621. Tickets and Stopovers. Since a railroad ticket is a contract between the company and the passenger, it is good business for us to read the ticket to see what our rights are that we may know what we can and what we cannot do. If we are going to stop over, how long may we do so? If we have a round-trip ticket, is it necessary for us to sign it and have it stamped at the station before starting on our return journey? What is the latest date that we can begin our return trip?

Most round-trip reduced rate tickets require validation before the return journey may be started. This means that the passenger must present his ticket to the station agent at his destination and sign his name on the ticket in the presence of the agent. This signature must agree with that written by the passenger on the ticket at the time of purchasing it. No one else can sign for you. You must do this yourself, otherwise your ticket will not be good for the return trip. Read your ticket carefully to make sure of this point.

622. What to Know About Baggage. Passengers presenting full standard tickets are allowed to check free of charge, 150 pounds of baggage; on half-fare tickets they may check 75 pounds, provided that no piece of baggage exceeds 45 inches in any dimension. Baggage other than trunks may be checked, such as baby carriages, wheel chairs, and sleeping bags. For an additional fee, baggage up to 250 pounds and 72 inches in dimension may be checked. The value of baggage



Baggage weighing up to 150 pounds may be carried free on each full-fare railroad ticket; on a half-fare ticket, 75 pounds.

must be declared at the time of checking. The railroad insures baggage up to a value of \$100, but a larger amount of insurance may be obtained for a small extra fee. Baggage consists of wearing apparel, toilet articles, and such other personal effects as the passenger may need for use and

comfort on the journey. Checkable baggage should be enclosed in strong locked containers and be plainly marked with the name and permanent address of the owner. Railroad agents in most cities will arrange to check baggage direct from your home to final destination. If baggage is desired to go on the same train as the passenger takes, it is necessary to check it at the station a half-hour before the train is due to leave; otherwise it may follow on a later train. Storage is charged on all baggage 24 hours after its arrival at destination, Sundays and holidays excepted.

623. Reading Timetables. The ability to read intelligently a railroad timetable is no small accomplishment, and one worthy of many hours of study if a traveler is to get along with the least amount of worry and inconvenience. The railroad timetable is, without doubt, the most skillfully arranged, and the most elaborate and expensive fund of information given to the American public free of charge. A timetable offers more information in the smallest amount of space than

anything that has ever been printed. Owing to the great number of abbreviations necessary, there is much to study in order to interpret the information provided. The person who is able to understand a railroad timetable does not need to wait in line at the ticket office or information window to have questions answered. The timetable provides all the information that railroad employees themselves possess. Ability to read and understand timetables enables the passenger to know at all times where he is; when he can get off to eat and for how long; what connections he can make with other routes he is going over; and a hundred other valuable bits of information. The study of a railroad timetable makes it easy for a traveler to read timetables of the bus and air lines, as timetables are much the same for all forms of travel.

624. What the Timetable Contains. Upon opening a timetable, the first thing seen is the general index which shows the respective pages where definite information may be found. Following this is general information about the services of the particular road. Then comes the index to all stations on the line. Pullman sleeping-car rates between all principal cities of the country are shown next. Each train has a number, the even numbers running east or south, and the odd numbers running west or north. The equipment carried by each train is described in detail, showing whether it carries Pullmans, tourist cars, observation cars, dining cars, chair cars, or coaches. Train schedules show when trains arrive and depart at all stations. The time from 12:01 midnight, to 12:00 noon is printed in light-faced type, and the time 12:01 noon to 12:00 midnight is printed in heavy-faced type. Timetables also indicate where the various time zones begin and end. It is necessary to know this in order that the passenger may set his watch an hour slower or faster, according to the direction in which he is traveling. The illustration of the timetable on the next page of this text should be carefully studied until all the questions can be answered readily.

CONDENSED TIME TABLES
BOSTON, NEW YORK AND CHICAGO

Time from 12:01 midnight to 12:00 noon shown in light face type
Time from 12:01 noon to 12:00 midnight shown in heavy face type

CONNECTIONS AT CHICAGO

La Salle Street Station, La Salle and Van Buren Streets

WESTBOUND—Read Down			NEW YORK CENTRAL RAILROAD			EASTBOUND—Read Up		
5	67	19				22	68	6
.....	Noon	.....	Lv Boston.....	Eastern Time.....	Ar	5 30	1 55	.....
11 00	3 00	7 00	Lv New York.....	“ “.....	Ar	3 30	9 10	7 40
2 13	5 58	10 01	Lv Albany.....	“ “.....	Ar	12 05	6 17	4 25
1 45	3 15	7 30	Lv Cleveland.....	“ “.....	Ar	1 59	9 42	7 15
8 20	10 00	1 20	Ar Chicago.....	Central Time.....	Lv	5 30	2 45	11 00

PENNSYLVANIA RAILROAD

Union Passenger Station, Canal and Adams Streets, Chicago

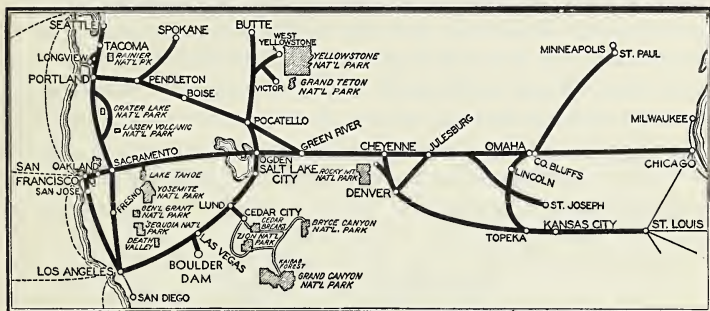
5	69	61				2	28	22
1 50	4 10	11 55	Lv New York.....	Eastern Time.....	Ar	5 40	9 00	7 35
3 24	5 42	1 25	Lv Philadelphia.....	“ “.....	Ar	4 04	7 33	5 49
2 20	.....	.....	Lv Washington.....	“ “.....	Ar	5 55	.....	7 50
3 16	.....	.....	Lv Baltimore.....	“ “.....	Ar	4 57	.....	6 56
11 35	1 25	9 45	Lv Pittsburgh.....	“ “.....	Ar	7 40	12 31	9 35
7 45	10 05	7 15	Ar Chicago.....	Central Time.....	Lv	8 00	3 30	10 30

CHICAGO, OMAHA AND CALIFORNIA

Chicago Northwestern Station, 500 West Madison Street

Los Angeles Limited No. 7 for Los Angeles	Overland Limited No. 27 for San Francisco	All Trains Daily Central Time		Overland Limited No. 28 from San Francisco	Los Angeles Limited No. 8 from Los Angeles
CHICAGO & NORTH WESTERN					
Sun 9 30 Mon 9 40	9 45 10 00	Lv.....Chicago.....Ar Ar.....Omaha.....Lv	8 35 8 20	8 45 Wed 8 40 Tue	
Mountain Time—UNION PACIFIC					
7 45 Tue 8 15	8 35 9 20	Ar.....Cheyenne.....Lv Ar.....Ogden.....Lv	7 55 7 40	8 20 Tue 7 50 Mon	
Pacific Time—UNION PACIFIC					
9 30 5 55 6 30 Wed 8 30 8 50	..... ..... ..... ..... .....	Ar.....Salt Lake City.....Lv Ar.....San Bernardino.....Lv Ar.....Riverside.....Lv Ar.....Los Angeles.....Lv Ar.....Pasadena.....Lv	..... ..... ..... ..... .....	6 30 Mon 10 25 9 55 8 00 7 35 Sun	
Pacific Time—SOUTHERN PACIFIC					
..... Wed 5 05 8 32	9 00 9 55 5 05 7 48 8 32	Lv.....Ogden.....Ar Ar.....Reno.....Lv Ar.....Sacramento.....Lv Ar.....Oakland.....Lv Ar.....San Francisco.....Lv	6 10 Mon 5 10 Mon 11 20 8 35 8 00 Sun	..... ..... ..... ..... ..... .....	
Streamliner No. 1	No. 17	CHICAGO, PORTLAND, SEATTLE UNION PACIFIC		No. 18	Streamliner No. 2
Central Time					
Sun 6 15 Mon 2 15	11 15 10 15	Lv.....Chicago.....Ar Ar.....Omaha.....Lv	8 50 Wed 8 45 Tue	9 30 Tue 1 30 Tue	
Pacific Time					
Mon 6 54 Tue 8 00 Tue.....	Tue 9 50 Wed 7 35 Wed 2 20	Ar.....Pocatello.....Lv Ar.....Portland.....Lv Ar.....Seattle.....Lv	6 45 Mon 9 35 Sun 4 20 Sun	6 45 Mon 3 45 Sun	

625. Railroad Gateways. Unlike Canada, there are no railroads in the United States running through trains from ocean to ocean. Transcontinental passengers must change trains at one of the three principal gateways—Chicago, St. Louis, or New Orleans. Through tickets may be purchased, however,



This map should be studied in connection with the timetable on the opposite page. As simple as a timetable is, it is a real puzzle to persons who have not learned how to read it.

and such tickets provide for free transfer of passenger and baggage by cab between the various depots. Many through passengers overlook this transfer feature on their tickets and go to the needless expense of hiring a cab from one railroad station to another.

626. Other Facilities. The terminal passenger stations in many of the large cities provide every comfort and convenience for women and children travelers. The facilities offered in the average large station are: private rest room open at all hours with experienced matrons in charge; tearoom and lunch and dining room; emergency hospital for caring for the sick; wheel chairs for the crippled; baths; dressing rooms; manicuring and hairdressing shop; nursery for children; drug store; telephone booths; and parcel checkroom. The Travelers' Aid Society has representatives in all large stations who look after the safety of children traveling alone and help passengers who are in trouble. This service is free.

627. **Beware of Sharpers.** Confidence men and professional “card sharks” make a business of riding trains and boats looking for unwary victims. These “slickers” usually have a very pleasing personality and are always willing to “help” a puzzled traveler by advising him to stop at certain hotels, which usually are poor ones, but which pay the “slicker” a commission. Railroads provide uniformed men and women whose duty it is to see that passengers find the proper train or hotel bus. These uniformed employees may be called upon for help without having to pay them any fee; however, it is customary to tip the “redcaps” for carrying baggage. Accept the service of the uniformed employees only, and you will not be robbed by “slickers.”

BUS TRAVEL—Unit 4

628. **Traveling by Bus.** For certain purposes the bus lines offer a means of transportation better and less expensive than do other travel agencies. As stated at the beginning of this chapter, however, the wise traveler knows when and where to use the various methods at his disposal. He knows that for long trips on which time is a very important factor there is nothing equal to the airplane; for long trips on which comfort and desirable acquaintances are sought, he knows that nothing equals the Pullman cars on a railroad train; but for short trips on which convenience and economy are most important, he rides the busses. Until recent years bus travel over long distances has been somewhat of a hardship. Even today in many states, highways are constantly being torn up, and all automobile traffic is forced to drive through or around the rough construction work. This sometimes occasions a delay of a half-hour or more because of the control detours of one-way traffic. Since busses do not have their own private right-of-way, they must depend upon the uncertainty of highway departments to keep roads clear during winter blizzards. With the exception of the large transcontinental busses, only

one employee is aboard, and he must not only drive but also collect fares, answer questions, handle freight and baggage, and make repairs to the bus in case of trouble. Regardless of the fact that all the seats on a bus may be taken, a bus is seldom considered as filled; but as long as persons want to get on, they are taken, no matter how crowded the conditions may be. Perhaps the most unpleasant feature of bus traveling is the lack of sufficient lavatory facilities and the poor depots in all except the largest cities. Now, however, with the railroads operating many bus lines, the last-mentioned objection is rapidly being removed. The popularity of bus travel is due to its low fares to any point in America; to its saving of ten per cent on round-trip tickets with return privileges extending as long as six months; and to the choice of many optional routes across the continent, going and returning by different ones without extra cost.

629. Night Coach Service. One of the most recent innovations of bus travel is the *night coach*, which has sleeping accommodations similar to those on a Pullman car; these accommodations are necessarily limited because of the small size of a bus as compared with that of a Pullman car. The cost of a berth on a bus is so low that many travelers who could not afford to ride in a Pullman can afford this luxury.



On night runs the busses have sleeping accommodations similar to those found on trains.

The price, for example, of a berth on a night coach between Portland, Oregon, and San Francisco, California, is only \$1.50 in addition to the regular bus fare, while the cheapest upper berth on a Pullman tourist car between these cities is \$2.40.

Recently there started operation of the first daily cross-country sleeper-bus in the United States, running from Los Angeles to Kansas City. The 1,500-mile trip takes 52 hours. Regular basic fare is \$24, plus \$5 for a berth, upper or lower. Night coaches have berths for 25 persons, including five double berths costing \$7 each. A compartment has its own radio, mirror, table, and washstand with hot and cold running

water. At the rear of the coach is a men's lavatory and also a women's lounge with dressing table, mirror, and settee. A porter is on duty at all times.



AN IMPROVEMENT IN BUS TRAVEL

No longer is the passenger's baggage carried on top of a bus exposed to the rain, snow, or dust.

630. Regulations of Bus Travel. One of the largest bus systems operating throughout the country gives the following rules and regulations, which are typical of the practices of most bus lines.

“Seating of passengers: Reservations of certain seats will

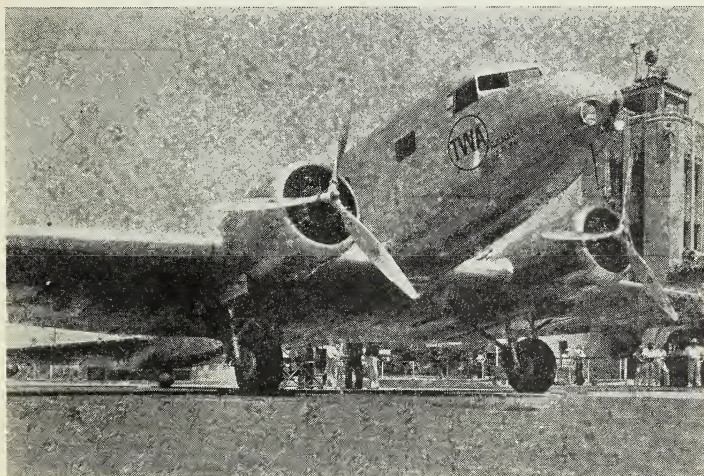
not be made. Reservations cannot be guaranteed on stopover privileges or at intermediate points, and are subject to limitations of seating capacity of the motor coach passing through such points. In case of insufficient seating capacity on any schedule, passengers will be placed on the motor coach in order of their booking.

“Each passenger is permitted to carry into a coach not more than three pieces of hand baggage. One hundred pounds of baggage not exceeding \$25 in value may be checked without charge for each adult passenger.

“Dogs, cats, and other live animals will not be carried.”

AIR TRAVEL—Unit 5

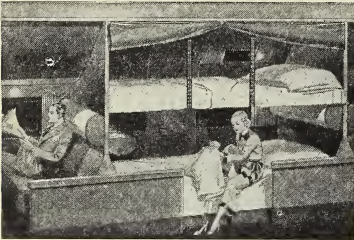
631. Traveling by Air. For those who want to make a long trip in the shortest possible time regardless of cost, there is only one way to travel, and that is by air. Land trips which formerly required four or five days can now be made by air in less than ten hours. Oversea trips that formerly required weeks and months can now be covered in two or three days by airplane. The rapid strides that have been made in air travel during recent years make it impossible to record the latest developments in book form. As this is being written, the first regular service by air between the United States and the Orient is being established; this means that there is scarcely any place which people want to visit that cannot be reached by air. It is safe to predict that by the time all the highways in this country are in first-class condition for ideal automobile transportation there will be little need for them, except for



Courtesy Transcontinental Western Air.

This plane has all the proved safety factors. Its two motors develop 1400 h.p. and its enormous cabin provides luxury and comfort for its 14 passengers.

local use. Great Britain is now manufacturing an airplane that retails for \$500, a sum less than the price of most automobiles. Its cruising speed is about 50 miles an hour, and the fuel cost is only one cent a mile. It can be operated by a beginner after a few hours of instruction.



For night flying, airplanes now provide sleeping accommodations similar to those found in a Pullman car.

632. Advantages of Air Travel. The greatest advantage air travel has to offer is speed, which means a saving of time. Few people travel the air for fun, since there is very little thrill after the

first trip. People who are trying to reach the bedside of a very sick relative or friend, business men who have urgent engagements to fill, and persons whose time is worth a great deal make up the usual passenger list on an airplane. Air travel is cheaper than any other kind of travel when all expenses are considered including time that is valuable. A four or five-day

CALIFORNIA—CHICAGO—DETROIT				
EASTBOUND READ DOWN		DAILY SCHEDULES Standard Time (Subject to Change Without Notice)	WESTBOUND READ UP	
Comet 1st Section Flight 4	Sky Queen Flight 12		Sun Racer 2nd Section Flight 7	Sky Chief 2nd Section Flight 9
9:00PM	9:00AM*	Lv Los Angeles (PT).....Ar	11:50PM	8:10AM
12:43AM		Ar Winslow (MT).....Lv		
12:53AM		Lv Winslow.....Ar		
2:16AM	2:30PM	Ar Albuquerque.....Lv	8:25PM	4:45AM
2:26AM	2:45PM	Lv Albuquerque (MT).....Ar	8:10PM	4:30AM
5:09AM	5:28PM	Ar Amarillo (CT).....Lv		
5:19AM	5:38PM*	Lv Amarillo.....Ar		
7:07AM	7:30PM	Ar Wichita.....Lv		
7:17AM	7:40PM	Lv Wichita.....Ar		
8:23AM†	8:52PM	Ar Kansas City.....Lv	4:20PM*	12:40AM
8:55AM	9:05PM	Lv Kansas City.....Ar	4:00PM	12:25AM
11:15AM	11:25PM	Ar Chicago (CT).....Lv	1:15PM*	9:40PM
3:24PM	2:58AM	Ar Detroit.....Lv	11:48AM	6:08PM
†Meal Stop. *Meal Aloft.				

A TIMETABLE FOR TRAVELING BY AIR

There is little difference in the reading of an airplane timetable and the reading of a railroad or bus timetable.

trip on a train means considerable expense for berths, meals, and incidental items, which expense the traveler by air who covers the same ground in twelve hours does not have. Air travel is free from dust, noise, and frequent and annoying stopping which often goes with train and bus travel. The latest airliners are equipped with sleeping accommodations, which fact means that the greater part of a trip across the hot deserts can be made at night in comfort while the traveler sleeps.

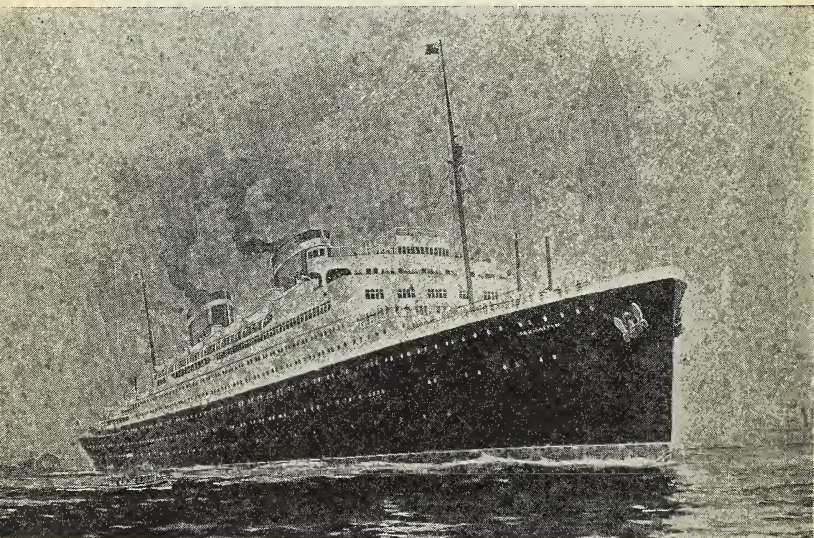


Courtesy Transcontinental Western Air.

Passengers in the modern planes enjoy comfort, quietness, and speed. This plane consistently averages more than 200 miles an hour. Meals in flight are served.

WATERWAYS AND FOREIGN TRAVEL—Unit 6

633. **Going Abroad.** Traveling to foreign countries, with the exception of going into Canada and Mexico, means going on the water or in the air. Steamship travel is the most luxurious method of transportation, and there are few people



S. S. MANHATTAN

Courtesy United States Lines.

The ultimate desire of every traveler is to make an ocean voyage on a modern liner.

who do not look forward to some day when they may take an ocean voyage. Until recent years a steamer trip around the world could be enjoyed only by the very wealthy, but today such a trip is within the reach of the average person who is willing to deny himself some other pleasures. A trip around the world today on a good steamer costs little more than the purchase price of the average automobile, and it is, perhaps, an education more valuable than the same amount of money

spent in many college courses. After a person has seen the United States by train or automobile travel, he is ready to see the attractions of foreign lands. He may begin by taking summer vacation trips by steamer up and down the Atlantic and Pacific coasts. These are very inexpensive and accustom one to ocean travel. After that he is ready to go abroad. Many students as well as teachers spend the summer vacation taking trips on freight boats, which are much slower than passenger ships, but offer very low rates. Freight boats, as a rule, carry only a few passengers; therefore one has a chance to get acquainted with all the passengers as well as the officers on the boat.

634. Classes of Accommodation. Passenger steamships usually offer the following classes of accommodations: 1. The cabin-class, or first-class, which is very luxurious and sometimes even better than that of the best hotels; 2. second-class, which is clean and furnished very nicely; it is similar to the average home. The food is as good as that served in the average restaurant, and sometimes almost as good as that of first-class; 3. student or third-class, which is for college students; 4. tourist-class which is very plain but scrupulously clean; it serves good food. Only the cabin-class passengers, however, have full privileges; neither are they confined to any one part of the ship as are the passengers of the other classes.

635. When Rates Are Lowest. The lowest steamer rates to Europe are in effect between September and March. During that time of the year, some of the steamship lines offer the best cabin accommodations at very low rates. Transportation on the fast steamers costs much more than it does on the slow-going steamers. Unless one is in a hurry, he will find a trip on a slow boat very satisfactory; it offers just as many comforts and pleasures as does the swifter ship. The slower boats carry freight and, being heavily laden, are less likely to roll and pitch. An experienced traveler tries to secure a cabin nearest the center of the ship where the motion of the boat is felt the least.

636. Types of Tours. There are three methods of traveling abroad. The first is by a conducted tour in which about twenty or thirty people travel together under one guide. The advantages are: relief from all details, such as securing hotel accommodations, purchasing railway tickets, looking up times of arrival and departure, disposing of baggage, and procuring guides. A disadvantage is that the same guide may have a number of parties at the same time with the result that he has more people than he can properly handle. The second way to go is by an independent tour; in this a group of people travel together under the direction of a touring agency. The agency makes all arrangements for sight-seeing, and provides at each stop an interpreter who meets the group of travelers and takes them to a hotel. The third method is by a personal tour; in this the individual travels alone and looks out for himself. A person who travels alone usually has made the trip before and knows enough about foreign countries to make his wants known wherever he may go. Many people prefer traveling alone, because it leaves them free to linger an extra day or two at some place that proves unexpectedly alluring or to include some of the fascinating places that are off the beaten path; one is not bound by a fixed itinerary and may even miss trains nonchalantly.

637. Rates of Fares. It is now possible to go from New York to London for as little as \$90 (\$171 round trip) in a stateroom with private bath, by going on one of the several steamers giving their main attention to freight. Many young men spend an interesting vacation by working for their passage on such boats. Steamship fares in all cases include berth, cabin, and meal service. Extra charges are made for extra service, and routine tips are expected. Rooms accommodate from one to two persons in first-class boats, from two to four in second and cabin-class, and as many as six in student-class. When traveling alone, a passenger must expect to share a stateroom with strangers, since a single room is always quite expensive—sometimes twice as much as when

it is shared. Steamship companies reserve the right to put any white persons in the same stateroom. There is a United States Government tax of five dollars to be paid at the time the ticket is bought. If one lands in France or Italy, there is a disembarkation tax; or if he is leaving one of these countries, there is an embarkation tax ranging from four to ten dollars, according to the class in which he is traveling.

638. Travel Now—Pay Later. Some steamship lines through coöperation with the Morris Plan Banks now offer foreign trips which may be paid for on the instalment plan. If you sail after June 15, you pay twenty-five per cent down and pay the balance in monthly payments, the last one being due the next June. No comakers or indorsers are required. All costs, including railway fare in the United States, steamship fare, and all expenses abroad, can be included.

639. Advance Preparations. Unlike railroad travel, a passenger cannot rush down to the pier a few minutes before sailing and expect to pay his fare when aboard the vessel. A foreign trip must be planned weeks or months in advance, and all reservations must be made well ahead of the actual going. After deciding upon the steamship line and the steamer on which one wishes to travel, and after determining the date of departure, the next step is to secure a passport at least three weeks before the date of sailing. A passport is a document issued by the government which gives one permission to leave the United States and to come back into the country. A visa is a permit from a foreign country to allow one to enter that country; it can be obtained from the steamship company or the agent who sells the steamship ticket.

640. Passport Requirements. Every resident of the United States, whether a citizen or an alien—with the few exceptions noted under certain countries—intending to sail for or travel through any country of Europe must usually be in possession of a passport issued by the country of which he is a citizen or subject. The passport must also generally be visaed (examined

and indorsed for approval), except as otherwise noted, at the consulate of the country which the passenger intends to visit or to pass through.

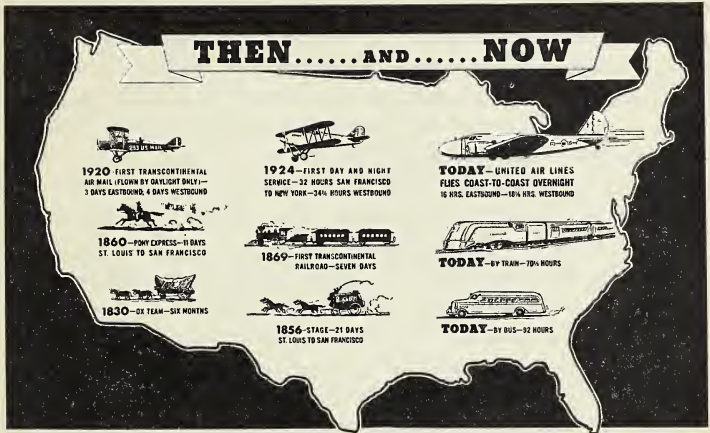
641. Permits to Re-enter. Every resident alien sailing from the United States for a temporary visit abroad should obtain a Permit to Re-enter from the Commissioner-General of Immigration at Washington, D. C. The official application therefor (Form 631) may be obtained at the office of any steamship company or from any of its agents; it should be filed, in accordance with the official requirements, about thirty days before the intended date of sailing. Possession of such a Permit to Re-enter enables the holder: 1. To re-enter the United States exempt from the immigration quotas; 2. to be discharged at the pier, without going into quarantine, even if traveling third-class; 3. to eliminate a visit to an American consul abroad, as it is not then necessary to obtain a "non-quota" immigration visa; and 4. to save seven dollars, the difference between the ten dollar visa fee and the three dollar permit fee.

642. Travel in the Future. It should not be difficult for anyone to see that the time is not far off when most of the passenger travel on long distances will be by air. For short trips the pleasure car and the bus probably will be the common method of travel for the majority of people. Leonar F. Loree, one of America's greatest authorities on transportation, predicts that the pleasure car will eventually supplant the bus.

Overseas travel by air, now figured in hours instead of days, is proving as safe as overland travel. Germany developed the Atlantic air travel; the United States developed the Pacific routes. Regular air-transport service has now been established over both oceans, and this service promises a rapid gain in popularity.

According to Kermit Roosevelt, Vice-President of the International Mercantile Marine, the so-called super steamships can

no longer pay their way. He says, "If the British government were to offer us the new Cunarder fully equipped free of any lien, as a complete gift, we could not take it and make our operating expenses."



The same progress of traveling on land is now being made in traveling over water.

CONCLUSION

You now have completed the study of the most essential business services needed by all persons in modern everyday living.

It remains for you to put this knowledge into good use.

With the lessons on self-development and self-improvement learned in Volume I, and the lessons on services used in business in Volume II, your future success should not be handicapped by lack of the most essential information.

You now have a foundation for the further study of business.

Questions on the Text

Sec. 590. What are the three great values of travel? In what ways does travel educate a person? How does the recreation that comes from travel benefit a person? In what way does travel inspire a person? What other benefits come from travel?

Sec. 591. Why should one make plans well in advance of a trip? From what kind of travel does one receive little or no value? Why do certain classes of people get little benefit from travel?

Sec. 592. What should one do before taking a long, expensive trip? What should one do before traveling in foreign countries? What are the disadvantages of fast or hurried travel?

Sec. 593. What items have cut down the expense of travel, and at the same time have increased its pleasure returns?

Sec. 594. What are the advantages and disadvantages of the following modes of travel: automobile? railroad? boat? airplane? How does the experienced traveler decide which mode of travel to use?

Sec. 595. Why should not travelers carry large sums of money? What should a traveler carry in place of actual money? Explain why Travelers' Checks and Express Money Orders are safer for a traveler to carry than money. In what denominations are Travelers' Checks issued? What does it cost to obtain Travelers' Checks?

Sec. 596. What kind of knowledge, training, and conduct are required for stopping at hotels? What is the usual price for hotel rooms? Explain the procedure in getting a room at a hotel. Explain the process of checking out of a hotel. What is the time limit for checking out? What kind of information can one get at the porter's desk? What additional services do some hotels offer?

Sec. 597. What is the most convenient and least expensive method of travel for two, three, or four persons? Why is this method expensive for one person traveling alone? Name four or five advantages of traveling by private automobile.

Sec. 598. What are some of the conditions to take into consideration when one is crossing the country by automobile? About how many days are required in going from ocean to ocean by automobile? About

how many days should be allowed if one wishes to see worth-while places along the route?

Sec. 599. What items should one consider in planning a long automobile trip?

Sec. 600. What are some of the things that make an automobile trip expensive? How can one keep down the cost of an automobile trip?

Sec. 601. Explain how to figure the cost of each of the following items in making an automobile trip across the continent: gasoline; oil; tire and car repairs; lodging; and meals.

Sec. 602. Explain why an automobile tourist finds things more expensive in one place than in another. What articles are sometimes taken from travelers when they are crossing a state line? Why?

Sec. 603. How are highways numbered for the convenience of the traveler? Which highways between the Atlantic Ocean and the Pacific Ocean carry the same number all the way through? Name the highway that runs from Canada to Mexico?

Sec. 604. How much does it cost a mile for gasoline, oil, tires, and repairs for the average automobile? What is the cost a mile for a light six-cylinder car when *all* items of expense are considered? What is meant by depreciation? What does the depreciation amount to during the first year on a small car? on a medium car? on a large car?

Sec. 605. What are some of the reasons why house-trailers have come into use? Describe the equipment of a house-trailer. What are some of the advantages of using a house-trailer?

Sec. 606. Tell about the use of house-trailers in England.

Sec. 607. What are some of the advantages of railroad travel? What are some of the comforts that one may enjoy while crossing the continent by rail?

Sec. 608. What is an air-conditioned train? What is the purpose of such a train?

Sec. 609. What are some of the things that make railway travel reliable? How have the streamlined trains improved railway travel?

Sec. 610. Describe a modern steel chair car. When may a tourist passenger use a tourist or Pullman car?

Sec. 611. What is the advantage of traveling at night in a sleeping car rather than in a chair car?

Sec. 612. Who is entitled to ride on standard Pullman cars? What are the advantages and disadvantages of upper berths? What are some of the facilities to which Pullman-car passengers are entitled? Describe how the latest Pullman cars are arranged. What is the difference in cost between an upper and a lower berth?

Sec. 613. What are the differences between a tourist and a standard Pullman car? What services are furnished to tourist-car passengers? What is the cost a night of an upper berth in a tourist car? the cost a night of a lower berth?

Sec. 614. Are people charged too much on dining cars? Why do railroads carry dining cars? How does the price of dining-car meals compare with the price of meals served elsewhere?

Sec. 615. What is meant by off-tray service?

Sec. 616. What bargains are offered in railroad fares? What is the time limit on round-trip tickets? When are summer tourist rates available? What other special rates are offered?

Sec. 617. Compare the respective prices of first-class fare, tourist-class fare, and coach fare.

Sec. 618. Why may a person wish to take his automobile along when he is traveling on a train? What does it cost for a person to ship his car along with him when he travels on a train?

Sec. 619. Under what conditions may one buy his ticket on the train? What help do railroads offer to people who are planning long trips? What is the time limit on one-way tickets? What stopovers are allowed? When must children pay full fare? when half fare? When will children be carried free? What should one do in case of a dispute with a conductor?

Sec. 620. How can one get his money back for a ticket that is unused or partly used?

Sec. 621. Why should one read his railroad ticket? What should one look for in reading his ticket? What must one do when buying a round-trip ticket? Explain what is meant by validation.

Sec. 622. How many pounds of baggage may one carry on a full-fare ticket? on a half-fare ticket? Baggage of what weight and dimensions may be carried if one pays an extra fee? For how much does a railroad insure baggage? Of what may baggage consist? What are the rules about checking baggage? When do storage charges start?

Sec. 623. Why is much study needed in order to read a railroad timetable? Why should a traveler know how to read one?

Sec. 624. Name the various kinds of information found in a timetable. Explain the use of light-faced and heavy-faced type. Why are time zones indicated on a timetable? According to the timetable on page 614, what choice of trains does one have in going from Chicago to Boston? What time does each train leave? Which is the faster? How much faster is it? How many trains are shown that run between New York and Chicago? How long does it take Number 5 to go from Pittsburgh to Chicago? How long does it take Number 61 to go from Pittsburgh to Chicago?

A traveler wishing to go from San Francisco to Boston leaves San Francisco at 8:00 P. M. Sunday over the Southern Pacific route. What are his earliest train connections out of Chicago? When should he arrive in Boston? How long will the trip take him?

A traveler wishes to go from New York to Los Angeles. He desires to leave New York as late in the day as possible and still make good connections in Chicago. What train should he take from New York? What time will he leave Chicago? What time will he arrive in Los Angeles? How long will the whole trip take him? Over what roads will he travel?

Sec. 625. How is ocean-to-ocean railway travel handled in the United States?

Sec. 626. What conveniences are offered in the railway stations to large cities?

Sec. 627. How do confidence men and "slickers" operate on railway trains and around railway stations? What service do railway companies provide to help travelers with their connections and baggage?

Sec. 628. What are the special advantages of air travel? railway travel? bus travel? What are the disadvantages of long-distance bus travel? To what is the popularity of bus travel due?

Sec. 629. Describe the night coach service of busses. Describe sleeper-bus service between Los Angeles and Kansas City.

Sec. 630. Give some of the rules and regulations of bus travel.

Sec. 631. What is the chief advantage of air travel? How may air travel affect the use of our highways? What is Great Britain doing to make air travel popular?

Sec. 632. Persons of what type make up the usual airplane passenger lists at the present time? Why is the airplane the cheapest method of travel for some people? In what ways does the airplane eliminate the hardships of long-distance travel?

Sec. 633. Why is the steamship necessary for most foreign travel? Who may now enjoy steamship travel? About what is the cost of a trip around the world? Describe a good way in which to begin steamship travel. What is the cheapest form of steamship travel?

Sec. 634. Describe the four classes of steamship accommodations.

Sec. 635. When are steamship rates to Europe the lowest? What are the advantages and disadvantages of traveling on slow-going steamers?

Sec. 636. Describe the advantages of the following types of tours: conducted tours; independent tours; personal tours.

Sec. 637. What do steamship fares include? What extra charges are made? What arrangements are made about sharing rooms? What government taxes must be paid?

Sec. 638. What arrangements can be made to travel now and pay later?

Sec. 639. What advance arrangements must one make for a steamship journey? What is a passport? What is a visa?

Sec. 640. What travelers must secure passports? What does it mean to have a passport visaed, and where is it done?

Sec. 641. What travelers should obtain permits to re-enter the country from which they go? What four advantages does a permit to re-enter give a traveler?

Sec. 642. What will probably be the nature of travel in the future?

CONCLUSION. What benefits do you expect to get from your study of *The Business of Life*?

For Class Discussion

Sec. 590. The steam engine and the automobile have caused people to travel more than they did. Socially, has this proved a benefit or a detriment?

Sec. 591. Why is it that two persons may take exactly the same trip, and one will see twice as much as the other and enjoy himself much more?

Sec. 592. Suggest a plan for seeing America first.

Sec. 593. Compare average traveling conditions of today with those under which kings of two or three hundred years ago traveled.

Sec. 594. Under what circumstances should you use each of the four modes of travel—automobile, railroad, boat, airplane?

Sec. 595. In what different ways may one carry money while traveling? Which do you consider the best way?

Sec. 596. What should one say when he is registering at a hotel? Give a few simple rules that should govern a hotel guest's conduct. Why is it well to leave the key at the clerk's desk while a guest is not using his room? If one absent-mindedly leaves town with his hotel-room key in his pocket, what should he do? Trace the process of a guest's checking out of a hotel. (What should a guest do and say when checking out?)

Sec. 597. Why is automobile travel more expensive for a person traveling alone than for two or more people traveling together? Why is it cheaper for one person to travel by train or bus than by private automobile? When is train travel more pleasant than automobile travel? When is it less pleasant?

Sec. 598. Tell why you agree or disagree with this statement: "For pleasure and recreation, no other way of travel equals the automobile for seeing America."

Sec. 599-603. List each item that should be considered in planning an automobile trip across the continent. Should one keep a written record of any kind? Should one plan ahead the place where he is going to spend each night? What should one do about his telephone, mail, and daily paper while he is gone? Should he leave the key to his house with anyone? What about the care of his yard? Do you think of any other items for which he should arrange during his absence? Where should he put the name of the person to be notified

in case of accident? How much extra money should one carry to take care of things in case of a wreck? What clothes should one take for the trip? What arrangements should one make about laundry? Should one take a camera? What other items should one consider?

Sec. 604. Estimate all the items of expense, including depreciation, that would be incurred if one is operating a light-six or light-eight cylinder automobile for one year. Assuming that the car is driven twelve thousand miles during the year, what would be the cost a mile?

Sec. 605-606. What do you consider the future of house-trailers in this country?

Sec. 607-615. If you have ever traveled by train, be prepared to discuss one of the following topics: 1. Advantages and Disadvantages of Train Travel over Bus and Automobile Travel. 2. Why I Like (or Dislike) Air-conditioned Trains. 3. A Description of Pullman Car Service. 4. A Description of Dining-car or Off-tray Service.

Sec. 616-617. Why do railroads offer bargains in rail travel at certain times only, instead of all the time? Why should there be a difference in first-class, tourist-class, and coach fare rates?

Sec. 618. Why do you think a railroad requires three first-class tickets for carrying a passenger's automobile—two tickets for one or two persons, and one for the automobile?

Sec. 619. Describe the difference in appearance between a local short-distance ticket and one covering a trip across the continent. If you know anything about the following kinds of tickets, be prepared to discuss each: single-fare ticket; round-trip ticket; excursion ticket; monthly commutation ticket; 60-trip commutation ticket; 50-trip family ticket; mileage book.

Sec. 620. What objection is there to buying the unused portion of a round-trip ticket from someone who does not wish to return on it?

Sec. 621. When making a long trip by railway, does one have to arrange in advance for the privilege of stopovers in cities on the way? Why do you think the holder of a round-trip ticket is required to have it validated before he starts on his return trip?

Sec. 622. What baggage should one take into the coach or Pullman with him? What baggage should he check on his ticket for carriage in the baggage car?

Sec. 623-624. What information does a railway timetable contain besides the time of arrival and departure of trains? How can one tell whether a certain city is included in a timetable without looking through the timetable page by page? Referring to the timetable on page 614, find out at what time and over what road the Overland Limited No. 27 leaves Chicago for San Francisco. What time does it reach Omaha? Over what road does it leave Omaha for Cheyenne? Over what line does it leave Ogden for Reno? Explain how it is possible for it to leave Ogden at 9:00 A.M. when it does not arrive in Ogden until 9:20 A.M. What time does it arrive in San Francisco? Over how many lines does it travel? About how many hours after it leaves Chicago does it arrive in San Francisco?

Sec. 626. If you have ever been in a large railway passenger station, be prepared to tell the class about it.

Sec. 627. What is a good way to keep out of the hands of confidence men, "card sharks," and "slickers"?

Sec. 628-630. Have busses been a benefit or a detriment to this country? If you have ever made a long trip on a bus, be prepared to describe bus travel, telling all you can about its advantages and disadvantages.

Sec. 631-632. Tell all you can about the development of air travel. If you have ever taken a trip in an airplane, be prepared to tell about the experience. What do you think about the future of air travel?

Sec. 633. Why are boat rates less than railway rates?

Sec. 634. Why are several classes of accommodations offered on steamships?

Sec. 635. Why are steamer rates to Europe lower in winter than in summer?

Sec. 636. If you were going to travel abroad, would you go on a conducted tour, an independent tour, or a personal tour?

Sec. 637. Why do you think France and Italy levy a disembarkation and an embarkation tax?

Sec. 638. What are the arguments for and against a person's traveling and paying for it later?

Sec. 639. Describe in detail exactly what preparations one should make in getting ready for a trip abroad.

Sec. 640-641. Tell all you can about the nature and purpose of the following: passports; visas; permits to re-enter.

Sec. 642. What predictions do you make for the nature of travel in the future?

CONCLUSION. What are the most important things that you have learned from *The Business of Life*?

Thought Questions and Problems

Sec. 590-592. If you have ever traveled, write or be prepared to tell about the values which you have realized from it. Many people live near places or things of great interest and never take the trouble to visit them. Is there any such place or thing that you have not seen? What other good reasons are there, besides those mentioned in the text, for one's seeing America before he travels abroad?

Sec. 593. Write a paper dealing with the history and development of the various means of travel; or if the teacher prefers, respective class members may write about some one kind of travel, such as travel by water, railway, or air; or travel during certain periods of history. (In looking up your material, much of it will probably be found under the word *transportation*.) What were some of the difficulties of travel during the days of Robin Hood?

Sec. 596. If you were planning upon visiting a city at a time when the hotels were likely to be filled, how would you go about reserving a room in advance?

Sec. 597-603. Make a complete itinerary (plan) for an automobile trip across the continent. Indicate the larger places through which you will pass, the stops which you expect to make, and the places of interest which you expect to visit; then make an itemized list of your expenses.

Sec. 604. Refer to the question given under Section 604, *For Class Discussion*. List the information called for in chart form, using a column or two for gasoline expense, a column for oil costs, a column for lubrication expense, a column for repair costs, and a column for every other kind of expense. Find the total expense and divide by the number of miles to get the cost per mile.

Sec. 605-606. If you can get a photograph of the inside of a house trailer, bring it to class with you.

Sec. 607-618. What railroad or railroads run through or near your city? Through what large cities do they pass? Under what conditions might the following railroad accommodations be used: day coach? chair car? standard Pullman berth? tourist Pullman berth? Pullman compartment? Pullman stateroom? Who may use the diner? the observation car?

Sec. 619-621. If one is planning to take a long railroad trip, why should he buy or order his ticket ahead of time instead of waiting until just before train time? When might one wish to make a Pullman reservation several days or a week in advance? May a Pullman reservation be changed or canceled before train time without loss of money? How long may one stop over on a railroad ticket? What is the latest date upon which one may begin a return trip upon a round-trip ticket?

Sec. 622. What should you do if the railway company should lose or damage your baggage? Taking into account the cost of having your trunk hauled to and from the railroad station, and assuming that it weighs 125 pounds when packed, compare the cost of checking it on your railway ticket with the cost of sending it by express to a city about 100 miles away.

Sec. 623-624. 1. Select from a railway timetable, a town about 100 miles away, and tell what trains you could take to get to this town and back during the same day. Give the name or number of a train that carries: a diner; a chair car; a standard Pullman; a tourist Pullman; an observation car.

2. Turn to the consolidated timetables on page 614. What other lines, besides those shown, could one take from Los Angeles to Chicago? Through what large cities do they pass? Which line runs straight through to Chicago without changing to another road? What other lines could one take from Seattle or Portland to Chicago?

3. Plan a railroad trip, including all stopovers, connections, and expenses from your home town to a city across the continent.

Sec. 628-630. If you can get a bus timetable and information about fares, compare the time, fare, and accommodations of bus and railroad travel between your city and one several hundred miles away; between your city and one across the continent. Is it possible to arrange for a bus seat or bus berth in advance?

FINAL TEST for VOLUME II of THE BUSINESS OF LIFE

On pages 638 to 640, inclusive, will be found 71 review questions covering Chapters XI to XVIII. The answers to the questions are to be written on a separate sheet of paper, not in the textbook. Arrange the numbers 1 to 71 in three columns on one sheet of paper, putting 20 numbers in the first column, 20 numbers in the second column, and 31 numbers in the third column. Put a dash (—) after each number. Leave after each dash a space of about an inch and a half in which to write the answers.

Section 1—MATCHING TEST

Directions: The solution of this test consists in identifying the statements in Column I with the corresponding terms in Column II. Read both columns carefully; then after each dash on your numbered sheet place the *number* of the term to which each statement refers.

Column I	Column II
1. The most common thing that everyone has to exchange is	1. A bank draft
2. The yardstick by which most things are measured is	2. A bill of lading
3. Something one does for his own pleasure is called	3. A freight bill
4. Teachers, engineers, and scientists are said to be engaged in	4. Twisting
5. Ministers, doctors, and lawyers are said to be engaged in	5. A passport
6. The amount of money paid by the insured to the insurance company is called	6. Automobile
7. The person to whom insurance money is payable is called	7. Bus
8. Wrongfully persuading the insured to change from one policy to another is called	8. C.O.D.
9. Money that must be accepted at its face value when offered in payment of debt is called	9. Executive field
10. A check drawn by one bank upon another is called	10. Western Union
11. Comparing the check-stub records with the bank statement is called	11. Gambling
12. To call another party on your own telephone line you should dial	12. Money
13. If a shipper wishes to have goods paid for before they are delivered, he should send them	13. Legal tender
14. If a shipper wants a parcel post package handled with the same speed as first-class mail, he should pay for the service called	14. Night letter
15. The document issued by a railroad company to the shipper of goods by freight is called	15. Operator
16. The statement showing the freight charges on a shipment is called	16. Personal service
17. The only way a government can pay its expenses is through	17. The professional field
18. The cheapest method of travel for three or four persons traveling together is via	18. Railroad
19. The best method of land travel, comfort, safety and reliability considered, is via	19. Reconciling
20. The document issued by a government giving a person the right to leave and re-enter a country is called	20. Special handling
	21. Taxes
	22. The technical field
	23. The beneficiary
	24. The policy
	25. The premium
	26. A hobby
	27. F.O.B.

Section 2—TRUE-FALSE TEST

Directions: Some of the statements given below are true, and some are false. If you think a statement is true, place a T after its number on the sheet which you have prepared for the purpose; if you think a statement is false, place an F after its number.

21. Avocation means one's calling or occupation.
22. If a person can work successfully for others, it is a sure sign that he can work successfully for himself.
23. Expert skills are acquired in middle age, not in youth.
24. The world pays most of us for what we know.
25. Wealthy girls should be prepared to earn their own living.
26. Bookkeeping, stenography, and selling are examples of a profession.
27. The market for common labor is increasing.
28. Insurance is one method of preventing accident and disease.
29. The contract between the insurance company and the insured is called the premium.
30. The insurance on the life of a young person costs less than the insurance on the life of an older person.
31. Losses may be collected under a fire insurance policy even though the fire was caused by the carelessness of the insured.
32. In this country only silver coin is legal tender.
33. Banks may issue paper money equal to the amount of their deposits.
34. The name of a holder written on the back of a check is called a blank indorsement.
35. Thrift and savings mean the same thing.
36. Buying on instalments is a form of saving.
37. Records show that high school girls spend less money than high school boys spend.
38. When one rents a hotel room for a night, he must check out before noon the next day.
39. Tourist passengers do not have access to the diner.
40. Bus passengers may carry 150 pounds of baggage free.

Section 3—TRUE-FALSE TEST

41. Parcel post will not be forwarded unless additional postage is paid.
42. After a letter is mailed, it cannot be recovered by the sender.
43. A drop letter means one that has been dropped into a street mailbox.
44. Air mail may be sent special delivery.
45. When it is 8 A.M. in the Eastern time zone, it is 11 A.M. by Pacific Coast time.
46. Radio messages are cheaper than telegrams.
47. F.O.B., factory, means that the manufacturer pays the freight.
48. Parcel post is another name for fourth-class mail.
49. It helps the postal clerks for shippers to address both sides of packages.
50. Easily broken articles may not be shipped by parcel post.
51. Special handling and special delivery mean the same thing.
52. Shipping by parcel post is always cheaper than shipping by express.
53. Coin and currency may be shipped by express.
54. The cheapest method of shipping goods is by freight.
55. Bill of lading and freight receipt mean the same thing.
56. In this country, about one person out of every five works for the government.
57. The government has no money except what it collects from taxes.
58. Taxes on real estate are known as indirect taxes.
59. States may not levy taxes on goods coming from other states.
60. A state may not levy an income tax.
61. Cities may not tax real estate.
62. Taxes may not be high enough to destroy a business.
63. The largest part of our taxes are paid by the rich.
64. Taxes in the future promise to be less than they have been in the past.
65. When one rents a hotel room on the American Plan, his meals are also included in the price.
66. In this country, the distance from ocean to ocean is about 3,300 miles, via automobile highways.
67. The safest method of travel is by railroad.
68. Railroad fares are always the same the year round.
69. Railroad or bus round-trip fare is twice the one-way fare.
70. Railroad conductors are not allowed to accept cash fares.
71. Baggage to the amount of 150 pounds is carried free for full-fare railroad passengers.

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